

LOUISIANA DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

REPORT TO THE COMMISSION ON STREAMLINING GOVERNMENT

August 17, 2009



DEPARTMENT: Louisiana Department of Transportation and Development (DOTD)

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LAST UPDATE: August 17, 2009

Section One: Agency Overview

Identify your overarching reform goal(s) for the agency:

Mission

We will continually strive to provide the best transportation system and earn the trust and respect of those we serve: customers, public officials and colleagues.

Values

Our core values: integrity, comprehension, understanding, enthusiasm, vision, change, personal accountability and training; and, a commitment to excellence.

GOALS:

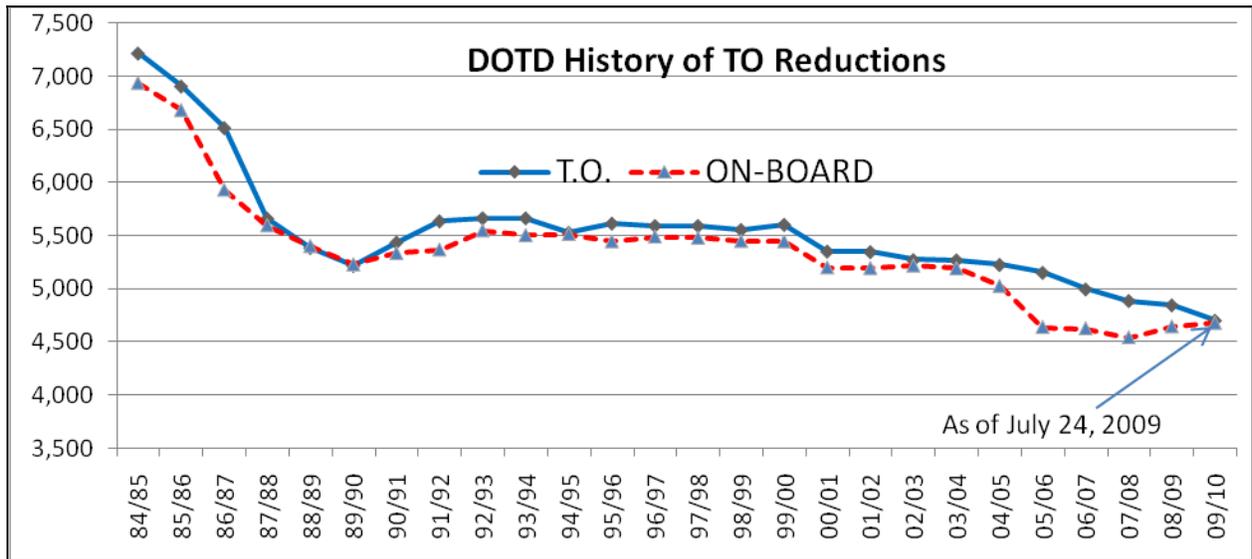
- Continuously improve the performance of DOTD
- Provide the best maintained state highway and transportation system
- Deliver cost-effective products, projects, and services in a timely manner
- Improve customer service and public confidence
- Efficiently manage DOTD's financial resources
- Provide the best skilled and trained workforce to efficiently and effectively manage Louisiana's transportation system.

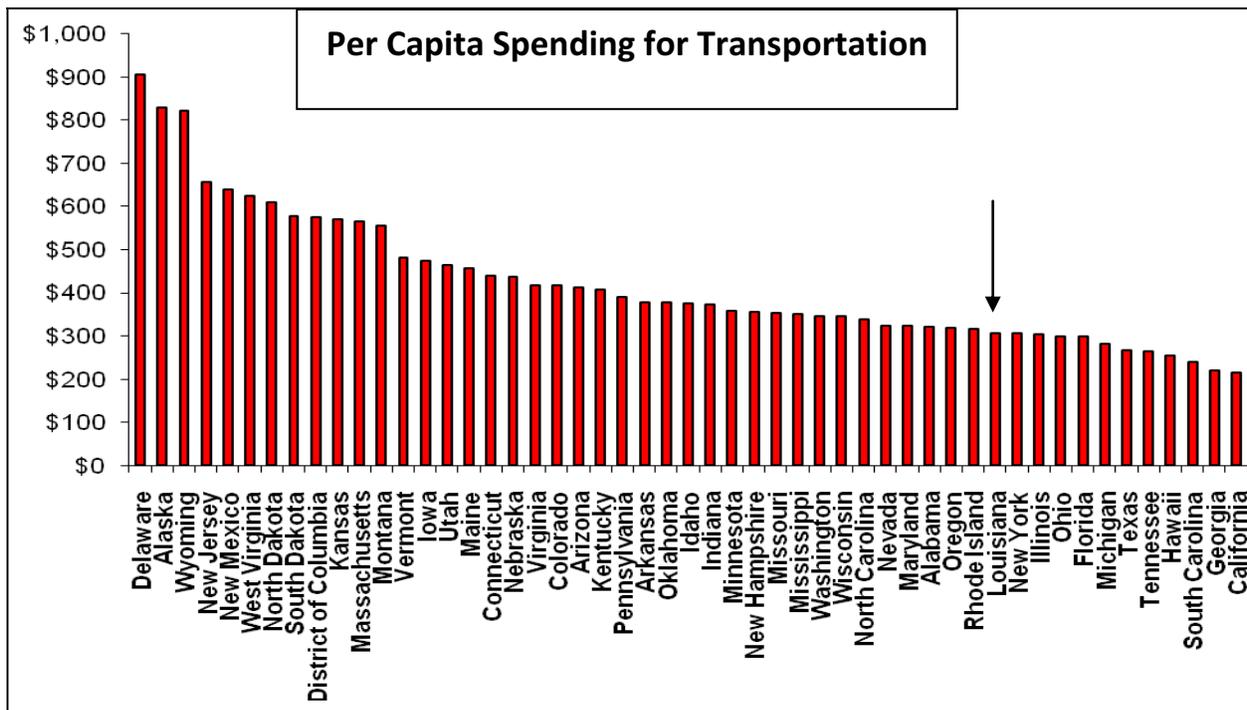
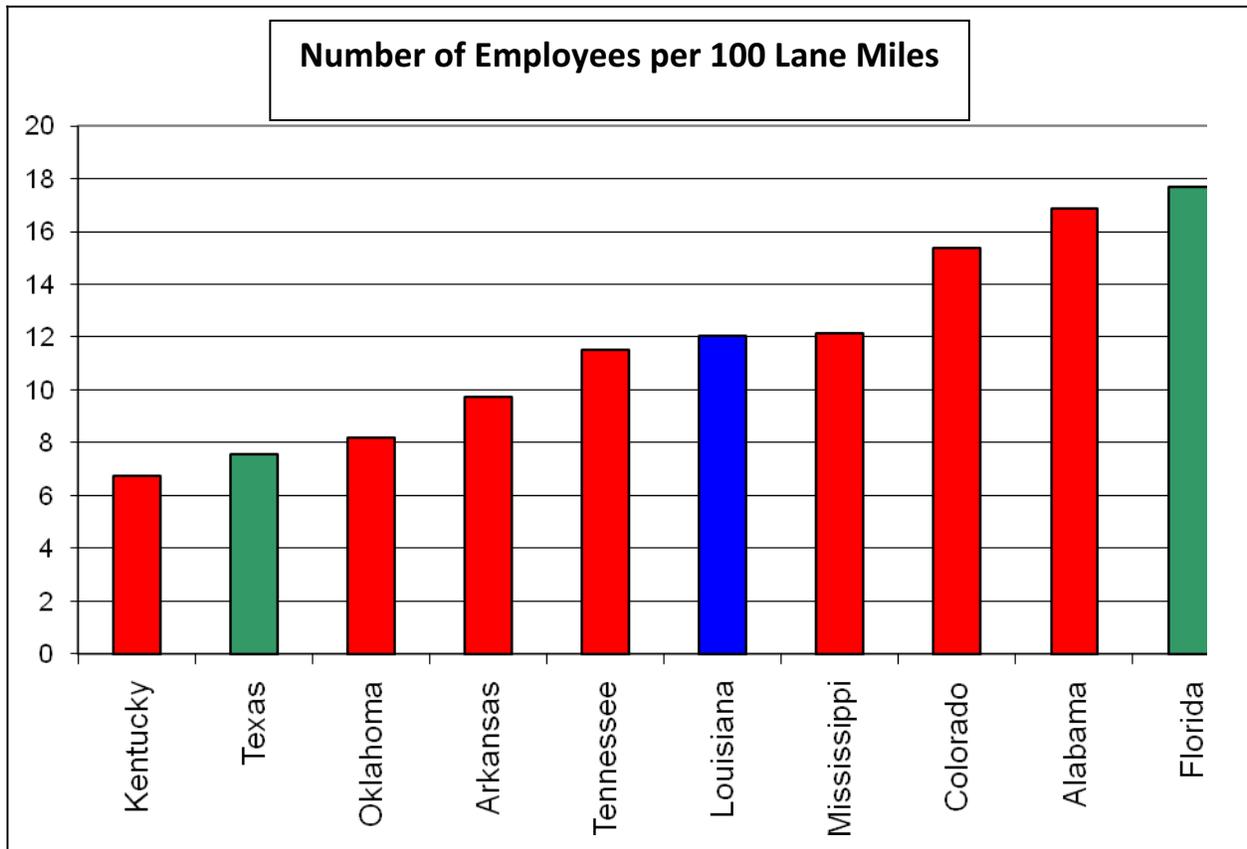
The Louisiana Department of Transportation and Development is responsible for developing and implementing programs to assure adequate, safe, and efficient transportation and other public works facilities and services in the State. The Department shall develop and implement programs in all areas of transportation, including; highways, airports, waterways, hurricane response and recovery, flood protection and mass transit, as well as public work activities.

VOLUNTARY REDUCTION IN WORK FORCE

In 2004, the Department set a goal to reduce the number of positions in the DOTD organization from 5,231 to 4,800 (approximately eight percent) by the end of calendar year 2007. This target number was later revised upward to account for the expanded role for hurricane flood protection. The reduction goal was achieved earlier than the December 31, 2007 deadline. A driving force in the decision to reduce staff was the belief that the department could do more

with less through improved efficiency and a culture of change. Another driving factor was the reality that the DOTD had to live within its own revenue stream and that revenue stream was projected to be flat while operating costs were expected to continue to rise. Staff reductions were inevitable; however by implementing a self-imposed staff reduction plan, the DOTD not only saved \$25 million per year on personnel costs, but garnered a great deal of positive support from the public and other transportation stakeholders.





TRANSPORTATION INFRASTRUCTURE AND SCOPE OF RESPONSIBILITY

The DOTD is funded by a number of revenue streams

1. Twenty cent (20) state gasoline tax (4 cents for the TIMED program)
2. Federal funds (18.4 cent federal gasoline tax., transit funds, other)
3. Self-Generated Revenue (Weights, fines and interest)
4. Tolls (Crescent City Connection)
5. Vehicle license tags
6. State General Funds (very little in operating budget)
7. State Capital Outlay Bonds

The main source of revenue for the DOTD is the excise tax on gasoline and diesel. This tax was implemented over 19 years ago and was not indexed for inflation. The 20 cents tax on gasoline is worth about 8 cents today if you after accounting for inflation. Meanwhile, the demand on the state's transportation infrastructure has risen due to increased population and correspondingly, vehicle-miles. Couple this with the sharp increase in costs for materials, labor, supplies, insurance, etc., and the ability of the DOTD to deliver the projects necessary to meet the needs of the State has been compromised.

In 2008, the Legislature approved the transfer of the sales tax on vehicles from the general fund to the Transportation Trust Fund over a phase-in period of seven years. This was projected to ultimately provide \$350 million to the Transportation Trust Fund, however, due to a provision in the statute, the decline in the overall state revenue forecast has prevented the transfer of the vehicle sales tax funds to the Transportation Trust Fund to occur.

The Federal Highway Trust Fund (HTF) had to be bailed-out in the fall of 2008 with \$8 billion from the federal general fund and again in July of 2009 to the tune of \$7 billion. Projections from the Congressional Budget Office show the highway trust fund balance to be in a negative trend for FY 10 and beyond. To Louisiana, the shortfall in FY 10 could result in a reduction of over \$150 million in federal highway funds if something isn't done on a federal level.

Roadway

1990: State Highway Miles = 16, 622

Lane Miles = 37,837

2009: State Highway Miles = 16,683

Lane Miles = 38,940

Lane miles increased by 1,100 due to the TIMED program and ongoing capacity projects

Bridges

On-System Bridges = 7934 Deck Area = 140 Million Square Feet

Off-System Bridges = 5218 Deck Area = 22 Million Square Feet

Airports

The DOTD Aviation Section's function is to provide oversight, inspection, and support to the State's over 800 airports/heliports, including the 7 Commercial Air Carriers and the 62 General Aviation airports. Using dedicated funds from the Aviation Trust Fund (funded by a 4% Aviation fuel sales tax) the DOTD provides a 5% match to 95% Federal Aviation Administration funds and any other none State funds to develop over 90 airport construction projects per year, worth nearly \$140 million. Detailed in Title 2 (Revised Statutes 2:1 through 2:904) and Administrative Code Title 70 Part IX, the Aviation Section is also responsible for certifying all new landing sites, recurring inspections at existing sites, providing flight safety education, supporting the Survey Section's Photogrammetry mission, and promoting statewide aviation commerce.

- ◆ 62 general aviation airports
- ◆ 7 commercial service airports

Ports and Waterways

The DOTD Public Works Section's function is to provide Funding and Oversight/Inspection of construction and repair projects on the state's ports and navigable waterways.

- ◆ 2800 miles of navigable waterways
- ◆ 2 deep draft waterways: Lower Mississippi River and Calcasieu River
- ◆ 27 locks
- ◆ 44 of 64 parishes have navigable waterways
- ◆ 470 dams
- ◆ 39 shallow & deep draft port authorities
- ◆ Offshore Oil Terminal Authority

Rail

The DOTD RR Safety Unit in the Systems Engineering Section works with the six Class I railroads and numerous short-line railroad companies in identifying, engineering and funding Public Highway/Railroad Crossing projects. This includes upgrading warning devices, working on signal preemption issues, and trying to obtain highway/rail crossing closures. This unit also works with those same railroad companies when obtaining agreements for DOTD's construction

program. Funding for this program is provided by FHWA under the Federal rail safety apportionment as well additional DOTD budget partition of federal highway safety funds. Some railroads also participate in cost sharing agreements by providing in-kind services and cash incentives to local agencies in exchange for crossing closure agreements.

The freight railroads (six Class 1s and 11 short lines) that operate in Louisiana move a substantial amount of freight within Louisiana and to destinations outside Louisiana. If these railroads did not operate in the state, significantly more freight would be transported on our highways, which would significantly increase highway congestion, increase the cost of highway maintenance, and dramatically increase the public's exposure to hazardous chemicals -- that are currently moved by rail.

The LA DOTD/Marine and Rail Transportation Section is partnering with the Class 1 railroads to improve the efficiency of the freight transportation system and provide more responsive service to shippers. Two key projects that the Marine and Rail Section are working with the railroads are: 1) Modernization of the New Orleans Rail Gateway (Six Class 1 railroads, the NOPB Railroad, and the Port of New Orleans) and 2) Upgrading the tracks of six short line railroads to improve freight system efficiency and facilitate economic development to industries statewide.

Transit

The DOTD Public Transportation Section administers federal funds in support of the rural and specialized transit services. There are 38 parishes that are able to participate in the program.

Operations

- 3.6 million acres mowed annually
- 71 thousand cubic yard of litter collected annually
- 10 ferries
- 3000+ railroad crossing
- 16 rest areas
- 11 truck weigh stations
- 3026 Traffic Signals
- 1,000,000 Traffic Signs

Review and briefly outline the constitutional and statutory mandates for you agency.

CONSTITUTIONAL AND STATUTORY MANDATES FOR DOTD

The Department of Transportation and Development (DOTD) is 1 of 20 Executive Departments authorized for creation by LA Constitution Article IV §1. It is created by LA Revised Statute 36:4 A. (11). The agencies included in its creation are found at LA R.S. 36:509. DOTD is primarily a combination of the old Department of Highways in R.S. Title 48 and the old Department of Public Works in R.S. Title 38. DOTD also has powers and duties in R.S. Title 2, Aviation, R.S. Title 34, Ports, as well as in R.S. Title 32, regulation of traffic. DOTD’s structure and organization has changed since its initial creation in 1977, notably in 1988 and 1997.

R.S. 36:501 B. provides that DOTD, “through its offices and officers, shall be responsible for developing and implementing programs to assure adequate, safe, and efficient transportation and other public works facilities and services of the state in accordance with the transfer of agencies and functions made by “ Chapter 11. DOTD shall develop and implement programs in all areas of transportation, including highways, airports, waterways, flood protection, and mass transit, as well as public works activities, in accordance with such transfers.”

R.S. 36:507 also lists purposes and functions of the department that shall be administered by the Secretary or in his discretion a subordinate or subordinates appointed in writing by him, as follows:

- 1) programs of the state relating to and affecting aeronautics and aviation facilities within the state; the development and establishment of public mass transit, railroad, and water transportation systems; and other special transportation programs;
- 2) programs of the state relating to the establishment, design, construction, extension, improvement, repair, maintenance, and regulation of roads, highways, expressways, bridges, and matters pertaining thereto; develop, prepare, and finalize the annual highway construction program authorized by Act 334 of 1974;
- 3) public works functions of the state related to flood and drainage control, the flood plain management programs, reclamation, water resources, soil conservation, land surveying and mapping, disaster relief, and related functions;
- 4) functions necessary to develop the state’s multimodal transportation and development plan.

R.S. 48:21 A. provides that the “functions of the department shall be to study, administer, construct, improve, maintain, repair, and regulate the use of public transportation systems and

to perform such other functions with regard to public highways, roads, and other transportation related facilities as may be conferred on the department by applicable law.”

LA Constitution Article 7 §27 Transportation Trust Fund provides funding for DOTD programs, as follows:

- 1) Highway Priority Program, R.S. 48:228-232;
- 2) Aviation Construction and Development Priority Program, R.S. 2:801, et. seq.,
- 3) Statewide Flood Control Program, R.S. 38:90.1 et. seq.,
- 4) Port Construction and Development Priority Program, R.S. 34:3451 et. seq.

Floodplain Management - “State Coordinating Agency” for the National Flood Insurance Program (NFIP). (LRS 38:84 and 44CFR 60.25)

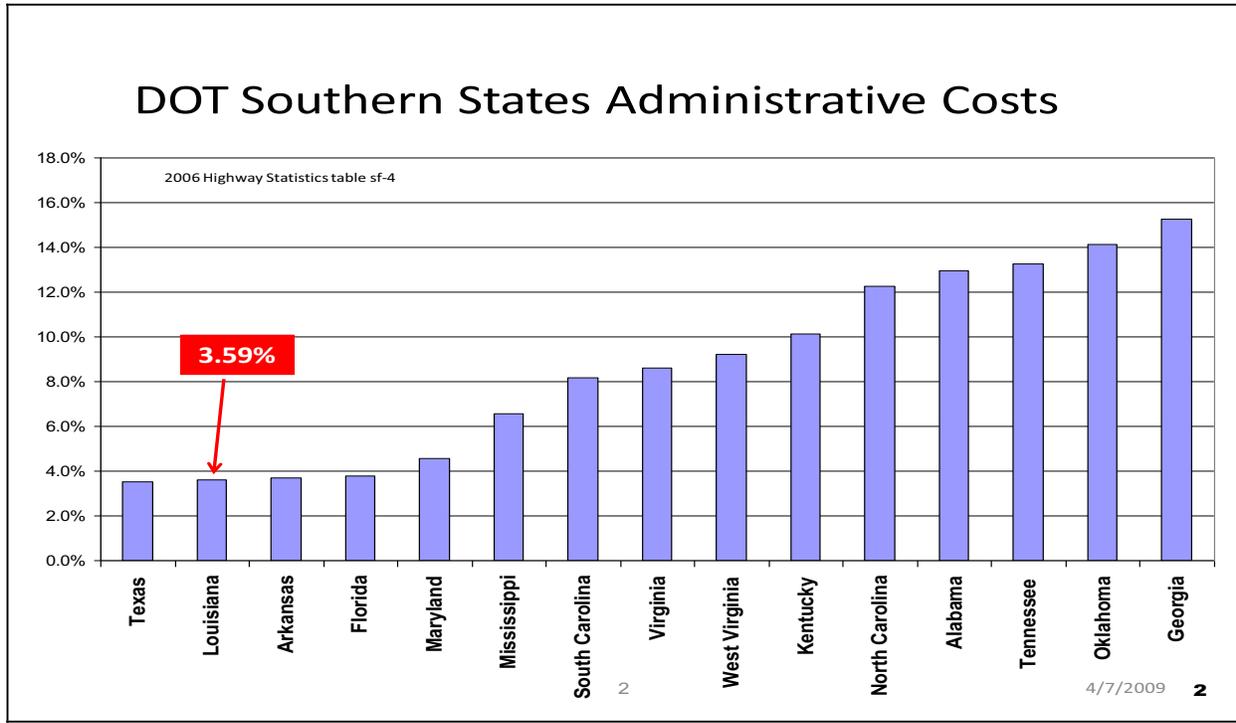
- 1) Dam Safety Program – Responsible for operation and maintenance of 20 state maintained dams as well as performs safety inspections for state and non-state owned dams statewide. (LRS 38:21 et sec)
- 2) Levee Safety - LRS 38.1, 38:247, & 38:225
- 3) Water Wells Registration and Driller’s Licensing (Until Jan 2010)
- 4) Manage State match for US Army Corps of Engineers Flood Control Projects and participates in project delivery – Non Coastal (LRS 38.1 et sec and 38:281-513)
- 5) Engineering Services and Oversight of Levee Boards (Non-Coastal)
- 6) Water Resources Program – collection of water data and manage capital outlay funding and oversight and engineering for state funded reservoirs (LRS 38:32 and 36:509)
- 7) LOTA (LRS 34:3101)
- 8) Boards and Commissions (LRS 38:20, 34:2302-2304, 38:2329, 38:3074, 38:3097.4)
- 9) RS 32.2 authority of Department of Transportation and Development A. (1) The department, as an exercise of the police power of this state, shall supervise and regulate all traffic on all highways within the state highway system and shall have the authority in its discretion to supervise and regulate all traffic on all highways within this state; promulgate rules and regulations not inconsistent with this Chapter and the general laws relative to highways and their construction, maintenance, and use, and the operation of vehicles and

pedestrians thereon; an investigate the highways by utilizing surveys, traffic counts, etc., and effect methods and practices thereto, as in its judgment and experience it deems advisable.

Section Two: Efficiency and Benchmarking

Identify under-performing programs that should be overhauled or eliminated.

DOTD ADMINISTRATIVE COSTS VS OTHER SOUTHERN STATES DOTs



RIGHT-SIZING THE STATE HIGHWAY SYSTEM - Proposed

An opportunity exists to reduce the size of DOTD, rectify inequities in the distribution of state highway miles among parishes, and empower local governments through the right-sizing of the State Highway System. Further, this would allow DOTD to focus its resources on the components of the transportation system that are most important to Louisiana’s economy, namely, those that serve a significant role in freight movement, tourism, and business travel. In considering such a policy, it is necessary to begin with a review of the Louisiana Department of Transportation and Development (LA DOTD) mission statement:

LA DOTD Mission: We will continually strive to provide the best transportation system and earn the trust and respect of those we serve: customers, public officials and colleagues.

The State’s role in transportation, particularly the highway system, is:

- Ensure that Louisiana is well connected with the rest of the country and the world.

- Provide for the movement of people, goods, and services between and through urban areas.
- Maintain a basic farm-to-market network in rural areas.

The State presently owns over 27 percent of the public road mileage in Louisiana. The national average is approximately 19 percent. Relevant statistics for each state are shown below. Only nine states own a higher percentage of public road miles than Louisiana and only 10 states have larger state highway systems.

STATE-OWNED MILEAGE

STATE	STATE	TOTAL MILEAGE	PERCENT	RANK
New Jersey	2328	38,563	6.04%	1
Kansas	10366	140,378	7.38%	2
Iowa	8909	114,084	7.81%	3
Massachusetts	2830	35,937	7.87%	4
Michigan	9696	121,720	7.97%	5
Washington	7041	83,255	8.46%	6
North Dakota	7385	86,841	8.50%	7
California	15235	170,287	8.95%	8
Minnesota	11926	132,309	9.01%	9
South Dakota	7843	84,228	9.31%	10
Florida	12070	121,995	9.89%	11
Wisconsin	11772	114,484	10.28%	12
Colorado	9109	88,022	10.35%	13
Idaho	4959	47,102	10.53%	14
Nebraska	9956	93,378	10.66%	15
Oklahoma	12286	113,084	10.86%	16
Arizona	6813	60,373	11.28%	17
Alabama	10978	96,523	11.37%	18
Illinois	16083	138,995	11.57%	19
Indiana	11183	96,251	11.62%	20
Oregon	7531	64,354	11.70%	21
Utah	5848	43,767	13.36%	22
New York	15548	113,616	13.68%	23
Montana	10781	73,151	14.74%	24
Mississippi	10970	74,407	14.74%	25
Tennessee	13836	91,420	15.13%	26
Georgia	17911	118,202	15.15%	27
Ohio	19264	125,103	15.40%	28
Nevada	5381	33,703	15.97%	29
Maryland	5149	31,097	16.56%	30
Arkansas	16432	99,005	16.60%	31
Rhode Island	1103	6,526	16.90%	32
Connecticut	3715	21,248	17.48%	33

Vermont	2634	14,407	18.28%	34
New Mexico	11993	63,795	18.80%	35
Hawaii	929	4,331	21.45%	36
Wyoming	6752	27,834	24.26%	37
New Hampshire	3980	15,644	25.44%	38
Texas	79849	305,273	26.16%	39
Missouri	33680	127,203	26.48%	40
Louisiana	16687	60,927	27.39%	41
Pennsylvania	39842	121,291	32.85%	42
Kentucky	27529	78,232	35.19%	43
Maine	8547	22,782	37.52%	44
Alaska	5674	14,786	38.37%	45
South Carolina	41429	66,241	62.54%	46
North Carolina	79068	103,500	76.39%	47
Virginia	57480	72,330	79.47%	48
Delaware	5275	6,178	85.38%	49
West Virginia	34089	37,055	92.00%	50
U.S. Total	777,674	4,015,217	19.37%	

Source: Highway Statistics 2006, Table HM-50

Louisiana's state highway system is comprised of the following classifications. Interstate highways are the highest order facilities whereas roadways classified as Rural Local and Urban Local are the lowest order facilities.

<u>Rural System</u>		<u>Urban System</u>	
	<u>miles</u>		<u>miles</u>
Interstate	534	Interstate	361
Principal Arterial	981	Other Freeway	60
Minor Arterial	1,584	Principal Arterial	894
Major Collector	4,667	Minor Arterial	1,217
Minor Collector	2,968	Collector	811
Local	<u>2,466</u>	Local	<u>140</u>
Subtotal	13,200	Subtotal	3,483
State Highway System = 16,683 miles (July 2009)			

Action Plan:

It is recommended that the State transfer approximately 5000 miles of state-owned roads to parish and city governments. Such a transfer will bring Louisiana's percentage of state-owned public road mileage in line with the national average of approximately 19 percent. In preparing a transfer plan, the following principles should be employed:

- The State should not be maintaining neighborhood streets in urban or rural areas (i.e., roads classified as Rural Local or Urban Local).
- State mileage should be inversely proportional to parish population. The reason for this is that as population increases, farming activity decreases, and therefore the need for a farm-to-market network decreases. Former rural roads become urban and suburban streets and should be incorporated into parish and city street grids. As an area urbanizes, the tax base grows thereby enabling local governments to assume greater responsibility in addressing transportation needs.
- In urban areas, the state system should consist only of roads that serve a significant inter-urban function. Intra-urban travel needs are best served by local governments even if the streets have high traffic volumes.

The preparation of a transfer plan affords the opportunity to rectify some of the current inequity in the distribution of state mileage among parishes. One parish has over 550 miles of state highway whereas another has less than 65 miles. While the geographic size of the parish, the intercity travel network, as well as the extent of the farm-to-market network needed must be accounted for, the imbalance in the present distribution of state highway mileage among the parishes is glaring. Therefore, the following mileage and density criteria

Mileage Criteria

- Maximum state mileage in any parish = 300 miles
- Maximum state mileage in parishes with population > 100,000 = 250 miles
- Maximum state mileage in parishes with population > 200,000 = 200 miles
- Maximum state mileage in parishes with population > 300,000 = 150 miles
- Minimum state mileage in any parish = 50 miles

Density Criteria

- No more than 5 miles of state highway per 10 square miles of parish geographic area
- No less than 1 mile of state highway per 10 square miles of parish geographic area

It would be unfair to transfer approximately 5000 miles to the parishes and cities without compensation. Therefore the transfer plan must include an increase in the Parish Transportation Fund equivalent to the State's current routine maintenance costs for the roads being transferred. Further, any road classified as "poor" by LA DOTD criteria would have to be improved prior to transfer or just compensation provided to the receiving local government. In addition, federal funds for the Off-System Bridge and Local Road Safety Programs will need to be increased. Lastly, DOTD would likely establish a federally-funded Local Road Congestion Relief Program to assist parishes and cities in addressing these needs.

It should be noted that the current distribution formula for Parish Transportation Fund monies does not require sub-allocation to municipalities within each parish. This has been a long-standing complaint by municipal governments and should be rectified as part of a transfer plan.

A reduction in state mileage will allow capital resources to be focused on the remaining highway system as well as the components of other modal systems most important to freight movement, tourism, and business travel.

Implementation Savings: DOTD's Operating Budget would be reduced by approximately \$60 million in accordance with an implementation schedule (estimate subject to revision). The reduction in DOTD's TO has not yet been estimated although it is expected to exceed 500. The Parish Transportation Fund and several local government capital assistance programs would gradually be increased as mileage is transferred.

Implementation Schedule: Legislation requiring the transfer will need to be enacted in the 2010 Regular Session of the Louisiana Legislature. To ensure an orderly process, the actual transfer could be structured to occur over a five-year period with no more than 100 miles transferred within any parish in a given year.

Outcome: Efficiency and long-term Cost Savings

FERRY SERVICES – Proposed Closures or Privatization

Ferry operations have provided an important travel option to our citizens saving time and money. However, these services are one of the most costly transport services the Department provides.

The table below shows the cost to operate the ferries and the cost broken down by one-way vehicle trip. The operating cost per vehicle ranges from \$6.65 to \$153.07. Our cost-benefit analysis indicates the cost to provide the service at three locations (Melville, Reserve, and White Castle) far exceed the user cost savings to the traveling public. For example, the annual estimated cost savings to the users of the White Castle location by not having to drive to the nearest bridge is \$48,460 while the cost to provide the service is \$1.2 million. Keep in mind that only \$10,000 in tolls (50 cents round trip) are collected. In order to break even, the fare would have to be raised to over \$25 per vehicle.

The other locations (St. Francisville, Plaquemine, Duty and Cameron) while not covering their costs, do provide considerable transport savings to the customer. The St. Francisville ferry will

be closed once the new John James Audubon Bridge between New Roads and St. Francisville is completed in early 2011.

Proposed savings by closing the ferry locations at Melville, White Castle, and Reserve are approximately \$3 million annually (about 1/3 of the total cost). Another \$2 million will be saved upon closing the St. Francisville ferry once the new bridge is completed.

The ferry locations are stipulated by the Legislature who would have to authorize the closures. A change to the statutes would be required.

DOTD has also analyzed privatization of the ferry service however, the costs to operate the ferries coupled with the private insurance costs, minimal market and the old ferry equipment makes it unlikely that these areas would find private sector providers.

FY 2006-07 FERRY COST DATA								
Location	Tolls	Operating Cost	Drydocking/ Capital Cost	Maint. Repair Cost/Overhead	Insurance Cost	Total Cost	Vehicles	Cost/ Vehicle
Melville	\$1,467	\$394,831	\$196,000	\$91,000	\$20,614	\$702,445	4,589	\$153.07
Reserve	\$18,968	\$829,598	\$475,000	\$206,500	\$190,211	\$1,701,309	76,167	\$22.34
White Castle	\$10,124	\$494,703	\$475,000	\$206,500	\$75,961	\$1,252,164	43,626	\$28.70
Duty	\$18,955	\$426,366	\$196,000	\$91,000	\$15,095	\$728,461	58,346	\$12.49
Cameron	\$0	\$1,649,201	\$475,000	\$206,500	\$94,983	\$2,425,684	220,952	\$10.98
New Roads	\$97,788	\$1,537,253	\$475,000	\$206,500	\$233,762	\$2,452,515	286,701	\$8.55
Plaquemine	\$92,307	\$1,340,281	\$475,000	\$206,500	\$222,145	\$2,243,926	337,428	\$6.65
CCCD Ferries	\$254,227	\$5,735,375	\$1,005,885	\$1,550,343	\$1,349,535	\$9,641,138	650,959	\$13.12
TOTALS	\$493,836	\$12,407,608	\$3,772,885	\$2,764,843	\$2,202,306	\$21,147,642	1,678,768	\$12.60

Outcome: Cost Savings

TRANSFER FLOOD CONTROL ACTIVITIES TO CPRA - Proposed

The DOTD has missions and activities that were added when the Department of Public Works merged with the La Department of Highways over 20 years ago. In 2006, the state redefined its governmental responsibilities with respect to hurricane flood protection with the creation of the Coastal Protection and Restoration Authority (CPRA). The responsibility for all flood protection, hurricane related or otherwise, for the coastal zone (south of I-10) was transferred

from the DOTD to the CPRA. The responsibility for flood control north of I-10 remained with the DOTD. The fragmenting of the statewide flood control effort has created some confusion and some duplication of effort between the DOTD and the CPRA. The DOTD sees the need to transfer the remaining flood control activities to the CPRA so that the core mission of flood control resides with one agency. The DOTD and the CPRA will propose legislation at the 2010 Legislative session to accomplish this transfer.

Outcome: Efficiency

CONSOLIDATE RESPONSIBILITY FOR WATER RESOURCE MANAGEMENT UNDER THE DEPARTMENT OF NATURAL RESOURCES – PARTIALLY IMPLEMENTED

Currently, the responsibility for Water Resource Management is divided between several state agencies, but prominently between DNR and DOTD. In 2003, the Legislature placed the Ground Water Resources Commission in the Office of Conservation of the Department of Natural Resources (R.S. 36:359(K)). The statutory charge of the Commission is to continue the development, in cooperation with the commissioner, of a statewide ground water resource management program that shall include but not be limited to evaluation of the state's ground water resources including current and projected demands; development of a water use conservation program; study of alternatives to ground water use, such as surface water to include treatment and transmission system, and reclaimed water; incentives for conservation; use of alternative technologies; and education and conservation programs. The plan should stress conservation as the primary mechanism for the protection of the state's ground water resources.

Since Water Resource Management includes both ground water and surface water, it makes sense to combine all programs under one umbrella. It makes sense to move the following programs to DNR from DOTD:

1. Water Well Registration Program
2. Water Well Drillers Licensing and Regulation Program
3. Water Resources Data Collection and Dissemination Program
4. Water Supply Availability, Use and Contingency Water Planning Program
5. Louisiana Water Resources Information Center
6. Dam Safety Program
7. Sabine River Authority

Act 437 of 2009 transferred responsibility for Water Well Registration, Licensing and Regulation (items 1 and 2 in the list above) from the DOTD to the DNR, effective January 1, 2010. The

remaining items in the list should also be moved from the DOTD to the DNR with the exception of item 6, Dam Safety, which should be moved to CPRA due to the similarity between levees and dams and the same expertise required to oversee the program.

Outcome: Efficiency

REVIEW TOLLS FOR CRESCENT CITY CONNECTION – Options

The bonds supported by the CCCD tolls will be paid-off on December 31, 2012. Unless the Legislature enacts legislation, the tolling will end and the \$18 million revenue stream will disappear. In addition, the \$4.5 million received from highway fund number 2, will cease.

In preparation for 2012, the DOTD is working with the local stakeholder groups to develop options and a plan of action so that the needs of the public will be properly served. The following is a summary of the two scenarios that will happen in 2012:

If the tolls are not renewed, there will be no funding to continue the operating the three ferries. Transportation Trust Fund dollars cannot be used due to the fact that the ferries do not connect state highways. Since there will be no tolls to collect, there will be no need for the toll collectors. Additionally, there will be no funding for the remainder of the CCCD staff (police force and maintenance staff). The maintenance of the bridge will become part of the responsibility of DOTD Operations. Painting and maintenance of the bridge will have to be incorporated into the statewide programs. Police actions will have to be handled by the local police forces resulting in increased response times and longer traffic delays. Approximately 200 employees will be laid off.

If the existing tolls are renewed, the revenue stream at the current toll rate schedule will not entirely offset the expenditures. Discontinuation of one or more ferries may be necessary, ferry hours may need to be reduced, and the police staff may need to be reduced. Necessary maintenance projects, such as painting the bridge, may be further postponed. Consideration should be given for an increase to the tolls for both vehicles and pedestrians so that an acceptable level of service can be maintained.

Other options include the privatization of the ferry operations; transfer of the ferry operations to the local municipalities; and/or transfer of the CCC bridge to the municipalities. All of these options will require a revenue stream through tolling or another mechanism.

Outcome: Efficiency and Transparency

ESTABLISH MOTOR POOLS IN THE DISTRICTS - Proposed

The Department is also looking into the possibility of creating motor pools at the nine District sites instead of vehicles assigned to individuals. This will reduce the number of vehicles that the Department has to purchase and maintain.

Outcome: Cost Saving

DISCONTINUANCE OF CONSTRUCTION SIGNS – Implemented

By strict application of State Law, the DOTD has reduced the number of construction project signs for a cost savings. Signs are only required for construction projects funded totally with state funds in excess of one million dollars. No longer will the typical construction signs showing amount of state and federal dollars be installed on projects

Outcome: Cost Savings – Approximately \$500K annually

Section Three: Outsourcing and Privatization

List programs, functions, or activities that can be privatized or outsourced

OVERVIEW OF DOTD OUTSOURCING STATISTICS

In FY 09-10, DOTD will outsource 79% of its total budget including 24% of its operating budget. Outsourcing activities include, but are not limited to, all or a portion of construction, design, construction engineering and inspection, mowing, signal repairs, litter collection, guard rail repair, security, janitorial services, training, legal services, accounting services, other professional services, and selective maintenance processes. Some of these activities as well as proposed outsourcing activities are highlighted in this section.

TIMED PROGRAM MANAGEMENT

The TIMED Program Management is an example of the DOTD's largest outsourcing effort. The following is a summary of the contract with the Louisiana TIMED Managers (LTM).

In an effort to accelerate the completion of TIMED Program from the projected date of 2031 to 2012, the DOTD in 2001, with Legislative approval, decided to allow the issuance of revenue bonds and to utilize private sector resources for program management.

Procurement of Management Services

- DOTD advertised for Program Manager July, 2001
- Three competitive proposals received November, 2001
- Proposals included approach, fee, and innovative solutions
- Selection by DOTD of LTM announced December, 2001

LTM Agreement

- Interim agreement signed February, 2002
- Final agreement signed June, 2002
- Term: June 2002 through December 2010
- Compensation: Base fee \$254.3 million
- Escalation applied to unexpended fee annually
- Incentive/Disincentive clause allowing a bonus or penalty depending on performance against baseline budgets and schedules. Maximum amount of incentive/disincentive is 20% of base fee.
- Industry standard warranty and indemnity clauses
- Requires a project specific \$10 million professional liability policy

LTM's Role

- Program management of the TIMED Program

- Initial scope included only List B highway projects
- Scope expanded December, 2004 and added List C major bridges
- Develop program budgets and schedules
- Design Oversight
- Right of way management and acquisition
- Utility relocation
- Public involvement
- Construction administration
- Financial management
- Program status reporting

LTM Joint Venture

- LTM is a joint venture established for this assignment
- Three firms have equal ownership: PB Americas, GEC Inc, and LPA Inc.
- Two principal sub-consultants: PEC Inc. (Right of Way Acquisitions Services) and MMLH Inc. (Utility Relocation Services)
- Program office in Baton Rouge and 6 field offices across the State
- Over 200 staff members on LTM team

The entire projected cost of the TIMED Program as currently planned is approximately \$5.17 billion, of which approximately \$3.55 billion has been managed directly by LTM (List B Highways & C Major Bridges) since 2002. The remainder of the Program was or is being managed by LA DOTD.

Based on the total program projected cost of \$3.55 billion managed by LTM, the \$254 million fee to LTM represents approximately 7.1% of the Program cost. The breakout of the fee is as follows:

- 2.7 % Program Management Oversight including financial management, program controls, communications, operations, contract administration, document control, reporting, and other traditional program management functions
- 4.4% Project Specific responsibilities including design oversight, utility relocation management, right-of-way acquisition, site assessment of hazard waste, and construction inspection.

When LTM's fees are compared to other major program management assignments across the country, they are on the low end of the scale and represent a very efficient program. For example, the program management fees for the South Carolina DOT \$760 million major highway program (commonly referred to as the 27 in 7 program), for comparable services, is approximately 17% of the total program costs.

Within Louisiana DOTD, program management is not being utilized on another project or program that is similar to TIMED and therefore direct comparisons cannot be given. The LA DOTD/LTM agreement is unique and includes many functions not normally contracted out by LA DOTD. One important component of the DOTD/LTM agreement is the incentive/disincentive clause. LTM can earn an incentive if the Program is completed within budget and schedule, however LTM can be required to pay a disincentive if the Program is over budget and beyond the approved schedule.

An advantage to using a consultant to provide program management services is the ability of the LA DOTD to staff up quickly with the expertise needed and to release all the staff when the program ends.

Outcome: Efficiency

ELIMINATE DOTD AIRPLANE - Proposed

The current photogrammetry (aerial photography) mission is funded primarily from the Aviation Trust Fund (ATF), covering the pilot's salary, benefits, required currency training, aircraft maintenance, fuel, and inspections. The aircraft is "restricted", due to the camera configuration, which means it is limited to only photogrammetry missions – it cannot be used for passenger operations. With the minor exception of photos taken of airports once every few years, the photogrammetry function contributes nothing to the mission of the DOTD Aviation Section in supporting airport improvement projects and airport inspections, for which the ATF funds are intended. The main usage of this photography is for the DOTD legal section and to some extent, the development of plans for highway construction projects.

Several sources of modern technology exist to outsource the photogrammetry function, which would yield the same quality of information currently provided by the photogrammetry mission.

Outcome: Cost Savings \$291,480 (Annual)

FERRY REPAIR PRIVATIZATION - Implemented

A major portion of the repairs to ferries which include dry-docking, engine repair, electrical repair, etc. are contracted out because of either lack of personnel or complexity of the work.

Outcome: Efficiency

SECURITY GUARD SERVICE PRIVATIZATION - Implemented

DOTD has privatized Security Guard Services for many of DOTD facilities. In the past, the guards were employed by DOTD. These positions were either reduced or moved to repairing roads, repairing bridges, mowing, etc.

Outcome: Efficiency

OPEN ROAD TOLLING - Implemented

In August of 2009, DOTD implemented the state's first Open Road Tolling system at the new toll facility on LA 1 in Leesville. This same system is in the process of being implemented at the Crescent City Connection. This state of the art system is fully automated and eliminates the need for toll collectors on the bridge, thus reducing operating costs.

Outcome: Cost Savings and Efficiency

HURRICANE RETAINER CONTRACTS - Implemented

DOTD has implemented retainer contracts to be used during and after a disaster in order to quickly and efficiently return the infrastructure to normal conditions. These retainer contracts include:

- Debris Removal
- Debris Monitoring
- Signal Repair
- Generators for critical intersections
- Disaster Program Management
- Emergency Charter Bus Transportation
- Emergency Pet Evacuation Transportation
- Disaster Planning and Response

Outcome: Efficiency and Cost Savings (95% reimbursement instead of 90% from FEMA for Debris removal and monitoring resulted in an extra \$1.2 million reimbursement from FEMA)

CCCD TOLL CALL CENTER PRIVATIZATION -Implemented

The CCCD Call Center was outsourced in 2006 and was physically located at a business in Texas. In 2009, the physical location for the Call Center staff has been moved to the CCCD facility. The

staff will still be outsourced, but we will save the overhead expenses being paid under the current contract.

Outcome: Efficiency and Cost Savings 9Annual \$200K-\$300K

CONSTRUCTION CLAIMS LITIGATION - Implemented

DOTD outsources construction claim lawsuits in which the trial preparation is most likely to be the most time consuming to a staff attorney. Construction claims that are outsourced are usually a minimum of one million dollars and have ranged as high as seven million dollars. These trials usually require extensive research into project documents and require expertise from numerous experts. On average, DOTD maintains anywhere from six to ten outside counsel cases in this area.

Outcome: Efficiency and Cost Savings by Reducing the Value of Claim Judgments

SAFE ROUTES TO SCHOOLS PROGRAM –Implemented

The passage of SAFETEA-LU, the federal surface transportation funding act, established the Safe Routes to School Program (SRTS) for the benefit of children in primary and middle schools. To receive funding under this program a state is required to establish a full-time Safe Routes to School Coordinator position. DOTD contracts out the SRTS coordinator position as well as 100% of all engineering, design and technical assistance services for this program.

Outcome: Safety (Federal Requirement) and Efficiency (Do not have in-house TO available)

CRASH REPORT DATABASE –Implemented

The DOTD is the repository of all motor vehicle crash data in the State of Louisiana. This database houses approximately 150,000 – 160,000 crash reports each year. In order to receive the most timely and accurate information, DOTD has entered into a contract with Louisiana State University (LSU) to maintain and operate the crash information database. This information supports the highway safety missions of many federal, state and local agencies including the DOTD, Louisiana State Police, Louisiana Highway Safety Commission (LHSC), Federal Highway Administration, Federal Motor Carrier Administration and the National Highway Traffic Safety Administration.

Outcome: Safety and Efficiency (Do not have in house TO available)

SAFETY STUDIES –Implemented

The Highway Safety Improvement Program (HSIP) is the primary mechanism used by the Department to identify candidate safety projects for inclusion in the Highway Program. Due to limited funding, it is imperative that this information be as timely and accurate as possible

thereby ensuring that safety projects are justified and properly evaluated. Due to a decrease in overall resources (staff), work load/staffing of District Traffic Engineering offices, and the numerous requests for additional studies, the use of a consultant is critical in providing these services in a timely manner. The Department has contracted with a consultant on a retainer contract to conduct studies at high crash, high profile locations throughout the state on an as-needed basis.

Outcome: Efficiency (Do not have in - house TO available)

TRANSPORTATION PLANNING STUDIES - Implemented

The DOTD receives numerous requests each year for project feasibility and other transportation planning studies, many of which are funded through federal or state earmarked funds. Due to limited in-house resources (i.e., staff), consultants are used for approximately 90 percent of this work. The Department has two consulting firms on retainer to assist in this effort.

Outcome: Efficiency (Do not have in-house TO available)

PAVEMENT CONDITION DATA COLLECTION –Implemented

In compliance with federal and state requirements, DOTD periodically collects data on the condition of state highway pavements. This data is used in highway needs assessments, budget analyses and goal setting, prioritization and selection of projects, and assessment of completed projects and project materials. This data collection is carried out entirely through a consultant contract. In addition to the data, video of the roadways is collected that can be accessed by Department personnel via the intranet. This reduces the need for field trips.

Outcome: Efficiency (Do not have in-house TO available)

TRAFFIC MONITORING PROGRAM –Implemented

In accordance with federal regulations and state requirements, DOTD maintains an extensive traffic counting program. The data is used throughout the Department and is used in federal funding formulas. As data needs have increased and staff resources have declined, the use of consultant services has increased. All non-state highway traffic counts are now performed via contract as are most special requests and some routine state system counts. State forces are focused on the more complex state system traffic counts where accuracy is critical.

Outcome: Efficiency (Do not have in-house TO available)

511 PRIVATIZATION - Implemented

DOTD established and currently operates a statewide advanced traveler information system (ATIS), commonly referred to nationally as 511. The public can access information through the

telephone by dialing the 3-digit number or online through DOTD's Website. Information regarding traffic impacts due to construction, maintenance, or incidents are provided in real-time for public use.

DOTD provides this service through participation in a multi-state coalition, which is administered by the Iowa DOT. DOTD pays Iowa DOT approximately \$110,000 per year to fund Louisiana's share of operations and maintenance costs associated with the system. Additionally, DOTD retains the services of the 511 Integrator, Castle Rock Consultants, to perform system enhancements and upgrades on the order of about \$90,000 per year. Hence DOTD budgets roughly \$200,000 per year to cover system-related costs of the 511 program.

DOTD also outsources the data entry and management function of 511 through the Statewide Traffic Management Center (TMC) Operations and Engineering retainer contract. This function typically requires a resource of 1 ½ FTE, or roughly \$100,000 per year to perform this effort.

Therefore, the overall cost of operating 511 in the state is \$300,000, which represents nearly all of the service being outsourced. The only portion currently performed by in-house personnel is administering the program, a cost estimated at 10% of an FTE or \$12,000 per year.

Outcome: Efficiency (Do not have in-house TO available)

PRIVATIZATION OF RETRO- REFLECTIVITY READINGS -Implemented

DOTD has outsourced the collection of roadway striping retro-reflectivity readings which determines the amount of light reflection from striping. DOTD's previous practice required taking readings by hand however due to staff availability we were only able to take readings on approximately 380 line miles per year. Now DOTD has contracted with a company that can obtain readings on the entire (7000 line miles) interstate system in a week and a half. Using a cost benefit analysis, we determined that it would cost DOTD \$156.80 per line mile (\$60K per year for 5% of system) vs. \$13.00 per line mile (\$90K per year for entire system) with a contract. As a result DOTD is able to obtain retro-reflectivity readings for striping on the entire interstate system annually which greatly helps in the prioritizing interstate striping projects.

Outcome: Efficiency and safety

PRIVATIZATION OF VEHICLE REPAIRS - Implemented

Specific vehicle repairs are being performed by private vendors due to DOTD personnel constraints and the complexity of the newer model vehicles. Privatizing some of the repairs has improved the overall efficiency of the repair shop.

Outcome: Efficiency (Do not have in-house TO available)

PRIVATIZATION OF THE LOGO PROGRAM -Implemented

DOTD has privatized the administration of the interstate LOGO signing program (these are the blue directional signs found prior to interstate exits indicating specific services i.e., Gas, Lodging, Food, Camping, etc.). The scope of the contract includes sign maintenance, installation of new signs, replacement of old or damaged signs, and the billing and collection of revenue from the businesses who advertise on the signs. Increasing commercial activity and frequent turn-over of businesses near interstate interchanges made it difficult for DOTD to coordinate the various activities for the statewide LOGO program among the various sections involved within DOTD. As a result of the contract with the private company that will administer the program, the Department now stands to collect an annual guaranteed payment from the interstate Logos in the amount of \$360,000 or 10% of gross revenues (whichever is highest). Under the old fee system before privatization, DOTD collected \$500,000 per year in LOGO revenues. It cost DOTD approximately \$200-\$250K in overhead to run the program. That includes sign fabrication, installation and administrative functions.

Outcome: Cost Savings, Efficiency and Improved Customer Service

PRIVATIZATION OF INTERSTATE STRIPING - Implemented

Interstate striping is contracted out because we do not have the personnel or equipment to replace thermoplastic striping or raised pavement markings on the interstate.

Outcome: Safety (Do not have in house TO available)

LEASING VEHICLES AT HEADQUARTERS - Proposed

The Department is investigating the possibility of leasing instead of owning the fleet of pool vehicles for Baton Rouge Headquarters. We have received preliminary estimates on the price of leased vehicles that would be housed at the DOTD HQ facility, and after initial estimates, the price of the leased vehicles could be close to a break even cost compared to the Department replacing our vehicles every 3 years. Some of the benefits of the leased vehicles are as follows:

- DOTD not responsible for maintenance
- New cars at least every 2 years
- Potentially fewer mechanics needed at Central Repair Shop
- Ability to transfer newer vehicles at HQ to Districts in place of older vehicles

At this time we are in the process of calculating how many vehicles would be needed in the leased pool to accommodate all of HQ's needs, better cost for leased vehicles, etc.

Outcome: Cost Savings -TBD

MOTORIST ASSISTANCE PATROLS (MAP)-Implemented

MAP initiative has proven to be an extremely successful program for DOTD in providing more effective traffic operations and incident management and meeting the performance measure of implementing a statewide ITS deployment plan over 5 years. Originating from construction projects on the Interstate, the MAP program is transitioning into an integral program of a regional incident management plan.

MAP projects are currently running in the New Orleans (West), Baton Rouge, Shreveport/Bossier City, and Lake Charles regions and patrol roughly 125 miles of urban Interstate. Typically MAP vehicles patrol segments 12 hours per day, 7 days per week and provide assistance to stranded motorists and to police in accidents, administer first aid, and remove debris from the highway with the goal of maximizing traffic flow on the Interstate. Assistance provided typically ranges from 30 to 40 motorists per day.

Outcome: Safety and Efficiency

COLLECTION OF OUTSTANDING RECEIVABLES – In Process

In 2006, the legislature amended Title 49 to allow state agencies the ability to enter into debt collection contracts with the Attorney General's Office. In May, 2009, DOTD entered into such a contract with Attorney General Caldwell. The term is designated for three years. Under the agreement, DOTD selects outstanding account receivables and forwards for collection after consultation with the Department of Justice.

Currently, DOTD has forwarded outstanding accounts from DOTD Human Resources for collection of insurance premiums due for unverified dependants. Although individual claims vary from \$50 to \$38,000, there are 72 employees to serve notice and seek collection. The average claim owed is \$9,500. The total of all claims amounts to savings of \$653,838.24.

DOTD has also forwarded a claim for the Sabine Parish River Authority retiree and surviving spouse group health and insurance premiums in the amount of \$727,255.96 that was mistakenly paid by the DOTD over the last 20 years.

Another outstanding receivable being forward to the Attorney General for collection is the \$28 million owed to DOTD by non-profit and municipal utility owners for the Utility Relocation Assistance Fund. The details of this issue are summarized as follows:

The DOTD has been cited by the Legislative Auditor for the "Untimely Collection of Utility Relocation Assistance Funding (URAF) Receivables". URAF is a loan program which allows DOTD to provide funds for the relocation of publicly owned nonprofit utilities when necessary for highway construction. The basis of the loan is the utility company's lack of resources or assets

to pay for the relocation themselves. The total amount of URAF receivables as of today is approximately \$28 million. We concurred with the Legislative Auditor finding; however, we felt that the issue of collecting older receivables requires a degree of sensitivity. The DOTD sent out letters to all Legislators having affected Utility Companies in their districts in November of 2007. Letters of Demand to all public utility owners (Municipal and Parish) with outstanding balances are currently being sent out. Once the Parish or Municipality responds, we will try to work out a payment plan for those receivables according to Title 70, Part II, and Chapter 3 of the Louisiana Administrative Code. If all else fails, the DOTD will have turn over the collection of the outstanding receivables to the Attorney General.

Outcome: Efficiency – accelerated collections of outstanding receivables.

AMERICANS WITH DISABILITIES ACT (ADA)/SELF-EVALUATION AND TRANSITION PLAN- In Progress

The Americans with Disabilities Act prohibits discrimination on the basis of disability in any program or activity receiving Federal financial assistance. Section 504 of the Rehabilitation Act of 1983 confers primary responsibility for enforcement of its provisions on those Federal agencies extending financial assistance to the program or activity.

DOTD has advertised through a Request for Proposal (RFP) to outsource the Americans with Disabilities Act (ADA) Transition Plan and Self Evaluation that is a federally required element of our Title VI Program. The selected Consultant will provide the services required to perform a Statewide Self-Evaluation on approximately 750 miles of statewide Pedestrian Rights-of-Way including Pedestrian/Bike Trails, Tunnels, and Overpasses and provide a Transition Plan in accordance with the ADA, Title II/Section 504 for Public Rights-of-Way, using the Department of Justice (D)J), ADA, and Public Rights-of-Way Accessibility Advisory Committee (PROWAAC), Guidelines.

Outcome: Efficiency (Do not have in house TO available)

Section Four: Information Technology Integration

List IT projects already underway designed to improve efficiency and effectiveness as well as potential projects.

LAGOV/ERP- Proposed –In Progress

DOTD is a major participant in the LaGOV project. For DOTD, the LaGOV project will replace all of our existing financial applications (Finance, Budget, Purchasing Federal Billing, Project Finance, Inventory, and Vehicle) and several related engineering applications (Project Master, Linear Asset Management, Project Letting / STIP / Priority Program, and Project Management). Replacing these legacy systems will bring us a major step closer to sun-setting our mainframe environment as well as freeing us from the dependency on specialized and difficult to obtain skill sets required to maintain these systems.

From a business standpoint, the LaGOV system will provide a single integrated view of our business functions. Entry into multiple systems will become a thing of the past and single entry of information will become more common. The integration of information among the various modules of the SAP solution will allow department personnel to better manage our financial and human resources. Department finances will become highly visible and much easier to report and analyze. Determining the lifecycle costs associated with a segment of our transportation infrastructure will now become possible to obtain.

Finally, the LaGOV project will be centrally maintained and all data will be centrally stored. All executive branch agencies will be in the new system enabling comprehensive reporting on the financial condition of our State.

As the final design of LaGOV is not complete, a detailed list of the improvements we hope to achieve is not possible. However, we do know many aspects of the system that will bring significant efficiencies. These improvements include the elimination of the need to reconcile the multiple DOTD financial systems as all of the data will be in one integrated system. Also payments to contractors, vendors and other entities with which that DOTD conducts business, will be performed centrally either through the central printing of checks or electronic funds transfer eliminating the need for DOTD to continue to provide this service.

A fully functional accounts receivable function is also being implemented with LaGOV that will allow agencies to efficiently manage funds due to the State. This will be a major improvement for the Department. DOTD will go live on the LaGOV system in October, 2010.

Outcome: Efficiency

AGILE ASSETS MAINTENANCE MANAGEMENT SYSTEM – In Progress

DOTD has been striving for years to update our Maintenance Management System (MMS). We have reviewed and studied the many different Maintenance Management Systems available, and Agile Assets has come to the very top of the list. The new ERP LaGov System will include Agile Assets as a separate module. This new Maintenance Management System will allow the Department to better manage its resources, and as a result, we will be able to improve our efficiency. This new system will also allow for easier ability to provide data needed for FHWA and FEMA reimbursement after a disaster.

Outcome: Efficiency

ELECTRONIC BIDDERS REGISTRATION – Implemented

Companies or individuals who wish to receive bidding information for DOTD construction projects are required to apply for Electronic Bidders Registration through the DOTD Electronic Bidding system. Once registered, companies can download plans and proposal that are listed on DOTD's Internet website. This web application is integrated with a Trns•port module and DOTD Electronic Bidding system.

The benefits of Electronic Bidders Registration are: eliminates duplication of efforts, reduce processing time of bid documents, and improves efficiency for DOTD staff as well as providing improved customer service for bidders. The Electronic Bidding system provides security and accuracy in bidding documents while avoiding typical errors from data entry and hand processing.

Outcome: Improved efficiency and Time Savings

AASHTOWARE TRNS•PORT - Implemented

The Louisiana Department of Transportation and Development has implemented several AASHTOWare Trns•port software modules (Preconstruction and SiteManager) as a replacement of several mission critical systems, and modules (CES and BAMS\DSS) as tools to develop better cost estimates and bid analyses. These software modules are not owned by a vendor, but are owned American Association of State Highway and Transportation Officials (AASHTO).

The AASHTOWare Trns•port software modules are considered an industry best practice. The software modules were developed by a consortium of Transportation agencies, which incorporated into the products the best practice of their agencies. Trns•port provides better

reporting tools to conduct bids analysis and tools to detect bid collusion. This software also improves efficiency by providing Engineers greatly improved access to the data.

Outcome: Efficiency

SITEMANAGER™-Implemented

SiteManager™ is a comprehensive construction management software tool developed by AASHTO. The system provides for data entry, tracking, reporting, and analysis of contract data from contract award through finalization. SiteManager™ can be used by all levels of construction personnel, such as field inspectors, technicians, project managers, clerks, auditors, lab personnel, management, producer/suppliers, contractors, and the FHWA.

Since SiteManager™ was implemented in 2002, the construction process at DOTD has been streamlined and greatly improved. Estimates for payment and change orders can be processed more quickly. DOTD accomplished this by being the first state to allow contractors access to the system. The contractor can approve the estimates and change orders electronically, rather than waiting for a faxed document from the Project Engineer (PE) to sign and then fax back. Our inspectors enter the work information on a daily basis, which provides the Department a current and up-to-date account of work done at any time.

DOTD is preparing to implement Materials Manager, a sub-program of SiteManager™. This will provide improved tracking of construction materials testing. The on-site inspector will be able to determine which tests are required or missing as the day's information is entered into SiteManager™. The PE's will be able to see and track their samples so as to know which ones passed and which ones failed, along with being able to track if they are taking samples when they should.

Outcome: Efficiency and Improved Customer Service

CONTENT MANAGER - Implemented

Louisiana Department of Transportation and Development has purchased an Electronic Document Management system (Content Manager) to store archive documents related to various projects through-out the state and electronic computer based output reports used by Management and Finance.

The Content Manager System improves efficiency by allowing the DOTD staff 24\7 access to documents and reports and has greatly reduced the number of "lost" documents. Content manager has reduced the cost by reducing the number of printed copies required and administrative time required as documents no longer have to be distributed. Documents are now housed in a virtual filing cabinet and multiple clients can view the document

simultaneously. Additional benefits can be realized as physical storage requirements for hard copy files are reduced.

Outcome: Cost Reduction and Efficiency

ELECTRONIC SIGNATURE FOR E-PERMITS – Implemented

The DOTD Right-of-Way Permit Unit is responsible for regulating the location, design, methods for installing, adjusting, accommodating, and maintenance of non-DOTD facilities such as driveways and utilities on highway right-of-way. The types of permits issued include: Project, Residential and Commercial Driveway, Vegetations Enhancement, Vegetation maintenance, Traffic Signal, Traffic Control Device, Geophysical, Movable Property, mailbox, Wireless, and Fiber-Optic. Additionally, the Right-of-Way Permit Unit is responsible for negotiating joint use agreements for use of DOTD right-of-way.

Louisiana Department of Transportation and Development is implementing electronic signature for the ePermit application for right- of-way permits and the internal processes required for approval of a permit request. Electronic Signature allows our clients to electronically sign documents.

The benefits of electronic signature are improved efficiency and reduction in processing time. With the implementation ePermit, the applicant can submit and electronically sign the permit and submit directly to the DOTD District permit specialist, instead of submitting by mail. By utilizing electronic documents internally within the agency, the number of printed copies can be significantly reduced.

Outcome: Efficiency and Time Savings

NETWORK STUDY/ANALYSIS – In process

DOTD is actively assessing its information technology infrastructure. The purpose of this project is to thoroughly review DOTD's current network infrastructure and architecture, and provide documentation and/or update our existing network documentation. To evaluate DOTD's existing comprehensive procedures/network infrastructure and provide a Readiness Assessment Document for implementation of IP Telephony technology in DOTD, IT personnel will meticulously analyze and audit DOTD's current VPN architecture and provide written, detailed recommendations for optimization of DOTD's VPN networks. IT personnel will analyze and document current DOTD Network Management Practices against industry best practices, and will provide DOTD personnel with written technical specifications for future DOTD Managed Network Services.

The study will identify any duplication in the DOTD network infrastructure and identify ways to reduce cost and improve network services.

Outcome: Reduce Cost and Improve Network Services

STATEWIDE EMAIL SYSTEM –Implemented

The DOTD's migration to the Statewide Email System was completed in April 2009. By performing this migration, DOTD users now have access to the statewide directory and can access contact information of persons outside the Department.

This migration has eliminated the need for DOTD personnel to maintain an email server environment. We were able to eliminate hardware and lower our software costs and reassign personnel to areas within IT that were lacking in support.

Outcome: Efficiency

CERTIFIED PAYROLL SUBMISSION/WAGE AND LABOR COMPLIANCE - Implemented

The Wage and Labor Compliance Unit, which is regulated by the US Department of Labor, FHWA, and the federal Davis-Bacon Act, is responsible for interpreting and enforcing wage and labor compliance standards for all federally funded DOTD projects.

We have changed the process in which we allow contractors and subcontractors to submit their certified payrolls. We now accept and encourage contractors to submit payrolls electronically which eliminates the bulk of paper received and reduces the time it takes to review each payroll which increases efficiency for the overall project. Since implementing we have seen close to 90% participation by the contractors.

Outcome: Improved Efficiency Overall Project

TRACKING OF DISADVANTAGED BUSINESS ENTERPRISE (DBE) COMMITMENT/PAYMENTS/DBE CONTRACT ADMINISTRATION - Implemented

The DBE Contract Administration Unit, which is regulated by the Federal Regulation 49 CFR 26, is responsible for monitoring the performance of subcontractors and contractors on all DBE goal projects from pre-award to completion to ensure all DBE contract provisions are met.

We have initiated the development of a program to electronically track the DBE Commitments and payments on ARRA projects for DOTD's future reporting to FHWA. We currently track all federally funded projects however; this program was developed to specifically identify the ARRA projects.

Outcome: Efficiency and Transparency

LANDESK MANAGEMENT SUITE - Implemented

LANDesk Management Suite is a server based PC management solution. This package contains tools that streamline the day to day operation of PC support personnel. The ability of technicians to resolve PC related issues have been greatly increased by the ability to remote control a PC from a central location. The inventory portion of this package gives DOTD IT detailed information related to the PC environment.

The solution includes increase efficiency with a complete hardware and software management solution for all the systems and users within DOTD. The ability to support users in any networked environment securely. Protect user productivity and reduce resource needs by keeping pace with patches and updates and maintaining system-level security. Save time and network bandwidth with software distribution technologies.

Outcome: Efficiency

OFF-SITE STORAGE DOTD DATA -Implemented

The DOTD IT Section has established an off-site storage facility for all DOTD data. In the event on a disaster, IT personnel can, through contracts in place, re-establish the DOTD server environment at this alternate location. We also have the ability, through a retainer contract, to deploy a self contained communications trailer to any site throughout the state. If a situation arises that demands communication to be established, this trailer can be deployed in just a few hours and be fully operational.

The Disaster Recovery site allows DOTD bring critical systems back up into operation quickly. It also gives DOTD an alternate site for an indefinite amount of time at no extra cost. DOTD is required by DOA to plan and implement actions for disaster recovery

Outcome: Efficiency and Security

DISCONTINUE SALE OF PLANS AND PROPOSALS – In Progress

In September 2009, the Louisiana Department of Transportation and Development will discontinue the sales of printed plans and proposals. Instead, DOTD will publish the plans and by their business partners and proposal on its Internet site for viewing and downloading by the public.

The benefits of electronic plans and proposal reduce cost; significantly improve efficiency; and provide better service. DOTD will no longer sell plans and proposals at a loss for the agency. DOTD employees will no longer be needed to conduct the sales, and can dedicate their time to

other tasks. Our business partners will have quicker access to plans, because they will no longer have to wait on the mail.

Outcome: Cost Savings (reduction of 2-3 TO)

IT SELF SERVE - Implemented

One of the Information Technology's Section's goals is to make its internal and external clients more self service and allow the clients to get the data they need or perform a task without the assistance of an IT professional. To accomplish this goal, Internet\Intranet applications have been developed or purchased; such as, the password reset, automated Service Desk, and dynamic web pages that allows clients to retrieve information from database. Training is provided to the clients to the newest applications and tools available for their use.

The benefits of self service are: improved efficiency and productivity by considerably reducing the amount of time and reducing the number of resources needed to complete a task; it provides better service; and improves the state's image.

Outcome: Efficiency

PC STUDY/ANALYSIS - Proposed

DOTD is planning to release an RFP to look into best practices for PC management for DOTD offices statewide. The study will look at man-power resources and the costs related to maintaining the current structure versus outsourcing the PC function, and retain a small staff to manage the Service Level of Agreement contract.

Potential benefits of this study could be a reduction in labor cost and better services to DOTD clients.

Outcome: Cost Reduction and Better Customer Service

NETWORK IP RE-ADDRESS – In Process

DOTD is currently re-addressing the entire DOTD network in an effort to connect to the Capitol Park downtown network. This effort will re-address every network device as well as all end point devices.

After the re-address is complete and DOTD is connected to Capitol Park email will no longer be directed through the Internet, instead through a cost effective private interface. This will allow DOTD to reduce its Internet cost and give email users more function at a lower cost. This will also allow DOTD email users access to the state archiving tools.

Outcome: Cost Savings (\$3K monthly) and Efficiency

ENTERPRISE SERVER - Proposed

DOTD is planning to replace our IBM Mainframe with an Enterprise Server. This single hardware platform will allow DOTD to run zOS, Linux, and Windows under a single management console.

The Enterprise Server will consolidate server hardware reducing maintenance cost. Run the Windows platform in a virtualized environment making Disaster Recovery quicker.

Outcome: Cost Savings and Efficiency

MICROSOFT OFFICE SHAREPOINT SERVER 2007 - Implemented

Microsoft SharePoint, also known as Microsoft SharePoint Products and Technologies, is a collection of products and software elements that includes, amongst a growing selection of components, Internet Explorer-based collaboration functions, process management modules, search modules and a document-management platform. SharePoint can be used to host web sites that access shared workspaces, information stores and documents, as well as host defined applications such as wikis and blogs. All users can manipulate proprietary controls called "web parts" or interact with pieces of content such as lists and document libraries.

The benefits of SharePoint 2007 are collaboration, portals, enterprise search, enterprise content management, business process and forms, business intelligence and project management.

Outcome: Efficiency and Effectiveness

LOUISIANA OPTICAL NETWORK INITIATIVE (LONI) – In Process

LONI is a state-wide education network linking the major research universities together for faster collaboration and supercomputing. The LONI network runs on DOTD fiber and leased circuits. As part of the agreement DOTD is allowed to use the LONI network to connect state-wide districts together at no cost.

By using the LONI network DOTD reduces cost and increases wire speeds to remote locations.

Outcome: Cost Reduction and Efficiency

ALIGNMENT OF INFORMATION TECHNOLOGY STAFF – In Process

The IT is re-tooling its team members for the new and expanded roles in the current and future organization. Focus will be on supporting clients vs. end users, integration of hosted and/or purchased vs. internally developed applications, and use of business intelligence vs. static data.

This effort will support meeting and/or exceed changing requirements of various engineering and business unit clients. DOTD will also be able to retain unique DOTD organizational knowledge, improve staff productivity, and effectiveness; while increase value added and lower personnel expense.

Outcome: Efficiency

LOUISIANA TRANSPORTATION RESEARCH CENTER (LTRC) MANAGEMENT AND TRACKING SYSTEM – In Process

LTRC is currently developing a web-based application for project management and tracking that will improve the process of managing research projects from the initial problem statement stage through development of a full scale research project to the final stage—implementation of research findings. The system can provide timely information to the various disciplines involved in the management of projects. The system will be accessible to both internal managers and external research partners. Such an application will enhance inter-organizational coordination and will impact both the overall business process and the end users of the application. The objective is to maximize efficiency by providing centralized data and decreasing the need to collocate data between offices. This system will automate some of the manual processes and enhance the overall productivity of the management process. Users will be granted the responsibility to maintain their specific details online. Employees located at different offices will have easy access to current information directly from the web browser. Online assessments allow simple collection, management, and tracking of results.

The system is being implemented in phases as modules are completed. When all phases are complete, the web-based application will improve the communication and efficiency of managing and tracking LTRC research projects. The goal is to make sure that apart from storing and maintaining the data in electronic format, the application will play a role in streamlining the tracking of various elements involved in the lifecycle of a project beginning from the problem statements through to the final reports and implementation. The system will be integrated with the state ERP system to retrieve real time financial data on completed and on-going projects.

Outcome:Efficiency

Section Five: Elimination of Duplicative and Unnecessary Services

List the activities of your department that fall outside of your constitutional and statutory mandates. Identify outdated activities that should no longer be part of the mission of your agency

REST AREA CONSOLIDATION-In Process

DOTD administers the Rest Area construction program in the Systems Engineering Section under the Office of Engineering. The goal of the program which began in the 1990's is to replace or renovate Louisiana's outdated or obsolete rest areas because the facilities built with the original Interstate construction program had reached or exceeded their design life. After extensive evaluation and consultation with the Federal Highway Administration and concerned state agencies, DOTD decided that fewer but higher quality rest areas would better serve the traveling public. Of the thirty-four (34) original rest areas, ten are being replaced by state-of-the-art rest areas with tourist information, free wireless internet, video surveillance, security and vending facilities included.

The Program will provide a rest area at the Mississippi Border, the Texas Border and one in the middle area of Louisiana on Interstate 10 and 20; two equally spaced rest areas between Lafayette and Shreveport on I-49 and rest areas at the Mississippi Border on I-55 and I-59.

The Department of Culture, Recreation and Tourism (CRT) has built new Welcome Centers at four locations. DOTD has reconstructed the I-10 Atchafalaya and Slidell Rest Areas, renovated the I-49 Grand Prairie Rest Area and is reconstructing the I-20 Greenwood Rest Area. Additional rest-room building construction will begin this Fiscal Year at the I-20 Tremont and Mound Rest Areas. Due to anticipated cuts in federal funds, budget partition has been reduced for the rest area construction program. We are currently evaluating future construction options based on the reduced funding. We will be working with CRT to provide the best travel options that funds will allow for travelers in Louisiana.

DOTD has been in negotiations with CRT to take over the maintenance of the rest areas where Welcome Centers are located. Although CRT has agreed in principle to the transfer of responsibility, they do not have a funding source for these operations.

Outcome: Effectiveness and Cost Savings

CRESCENT CITY CONNECTION DIVISION/BRIDGE PROPERTY INSURANCE COVERAGE - Implemented

CCCD received the findings of the Legislative Auditors report in early 2009 which showed more expenditures than income received. One of the largest expenditures was the Bridge Property insurance for approximately \$4 million. Based on legal advice a determination was made that the insurance was not required by the Bond Indenture Deed of Trust. The insurance was canceled.

Outcome: Cost Savings of approximately \$4 million Annually

DOTD CAMPUS CONSOLIDATION- In Progress

DHH occupied the DOTD East Wing building until 2006, when they moved to the Bienville Building. This occupation meant that DOTD had to maintain its staff in leased locations throughout the city. The annual lease cost for the legal and real estate sections at the Essen Lane location is \$402,500. The annual lease cost for the Intermodal and Public Works sections at the Baton Rouge Airport location is \$187,908.22. Consolidating these sections into the Headquarters campus will result in the elimination of the lease cost as well as to provide better connectivity to the rest of the DOTD.

Renovations to the electrical, mechanical and elevator systems are required to get the East Wing compliant with current codes. The removal and replacement of carpet, cubicles and hard wall offices are also necessary to accommodate personnel from off-campus sites. DOTD has received approval of a total of \$5.2 million in TTF in the last three capital outlay acts for the renovation.

The renovations to the 3rd and 4th floors of the East Wing are scheduled to be completed during the summer of 2010, at which time the Legal and Real Estate Sections will be moved from the Essen Lane location. The 1st and 2nd floors will then be renovated in phases to allow for relocation of the IT, Purchasing and Financial Services Sections, while still allowing the normal day-to-day business to be conducted. Once the 1st and 2nd floors are reoccupied, the staff at the Airport will be relocated to the 4th floor.

Outcome: Efficiency and Cost Savings (\$600K annually)

DOTD, WEIGHTS AND STANDARDS STATIONARY SCALES INSPECTION POLICE FORCE - Proposed

LA DOTD currently administers the enforcement of weight, size and permitting of oversize and overweight vehicles through the DOTD Weights and Standards Stationary Scales Inspection Police under the laws established in RS 32:388-390. LA DOTD maintains 14 permanent fixed weigh scale operations in 8 locations around the state. At 6 of these locations weigh-in-motion technology has also been deployed to improve customer service and efficiency for the trucking industry. DOTD Weights and Standards Stationary Scales Inspection Police operate the weigh scales on a continuous 24hr/7day schedule when possible. Reduction in positions, hiring freezes and difficulty recruiting qualified candidates has lead to reductions in scale operating hours at some locations. LA Department of Public Safety and Corrections (DPS&C) has a staff of 25 weight enforcement officers who operate portable weigh scales for use in mobile operations and enforcement of weight and size laws in addition to federal motor carrier safety requirements. DOTD and DPS&C have concurrent authority to enforce vehicle weight and size laws in Louisiana. DOTD operates the fixed scale locations while DPS&C officers operate

portable scales. Due to the relatively low number of mobile enforcement officers compared to the area assigned for each officer to patrol, there have been very few instances of complaints of duplication of effort. In the unlikely event that a driver is issued a violation ticket from a DPS&C officer and is also weighed at a fixed scale within 24 hours for the same load, DOTD officers do not write an additional violation.

Louisiana has half as many officers assigned to mobile weight enforcement as compared to other states. The average of our neighbor states enforcement area is 275 highway miles per officer. Louisiana DPS mobile enforcement officers are responsible for more than 600 miles on average. Louisiana average miles per officer are 2 times more than our neighbor states' average. Louisiana is not the only state that has more than one agency enforcing weight and/or safety. Texas, Arkansas and Georgia also have dual enforcement authority. Effective regulation of weight laws is a public safety issue and will lead to lower costs for maintaining the state's infrastructure.

There are three potential options: 1) Leave the responsibility for weight enforcement divided between DOTD and DPS; 2) Transfer all responsibility to DOTD and 3) Transfer all responsibility to DPS. DOTD recommends that the most efficient location of the responsibility for the enforcement of weights and standards on Louisiana's highways continue to be studied. We will continue to work with DPS and the Highway Safety Commission on the most efficient solution.

Outcome: Efficiency and Safety

ELIMINATION OF EL CAMINO COMMISSION – Proposed

The El Camino Commission was established by Act 214 of the 1992 Regular Legislative Session (HB 649). The commissioners are appointed by the parish Police Jury for the parishes where the defined corridor traverses (LA 6 and US 84 – Sabine, Natchitoches, Winn, LaSalle, Catahoula, and Concordia) – 2 members from each parish, along with 2 alternates. Commissioners currently serve 4 year terms. The commissioners elect a President, Vice President, 1st and 2nd Vice Presidents. Secretary and Treasurer. The Commission seeks to have the US 84/LA 6 corridor 4-laned.

In Act 122 (HB 881) from the 2009 Regular Session, there were two line items:

- Page 32 of 91 under DOTD Administration: “Payable out of the State General Fund (Direct) to the Office of the Secretary for the El Camino East West Corridor, Inc. for operating expenses \$10,000.”
- Page 58 of 91 under State Aid to Local Government Entities: “Payable out of the State General Fund (Direct) to the El Camino Real East/West Corridor Commission \$40,000.”

State support for this non-state entity is something that should not be included in DOTD's budget. If provided at all, any funding should be appropriated directly to the Commission.

Outcome: Elimination of Unnecessary Business Functions Associate with Flow thru Financials

CENTRALIZE/CONSOLIDATE GEOGRAPHICAL INFORMATION SYSTEM (GIS) -Proposed

Centralize the hosting of and/or outsource current and future GIS systems. At least three large agencies currently maintain their own unique GIS application. This will allow the single agency that houses the statewide GIS system to:

- Focus on core business system support.
- Meet current and changing requirements of both state agencies and the general public.
- Allows for the availability for more technically skilled resources state wide.
- Shorten development cycles and lower overall operating costs.

Outcome: Cost Savings and Efficiency

Section Six: Civil Service and Employee Benefits

List and identify any current initiatives or ideas related to employee benefits, hiring and promotion, and other employee regulations.

PAY-FOR-PERFORMANCE INITIATIVES – TWO APPROACHES – In Progress

1. During FY 2007/08, DOTD implemented a Pay for Performance pilot program to give monetary recognition for exemplary group performance that is closely tied to the agency's strategic endeavors. This program involved the establishment of performance standards which aligned with agency objectives and well-defined criteria by which to measure employee and team performance on group projects. The pilot program consisted of two sections chosen by DOTD management, one in the Office of Engineering and one in a District Office. The "internal" target for "month specific" (project considered on-time when let in the calendar month of the due date) letting of the standard project list was 55%; the PFP target was raised to 65% to justify the additional compensation at stake. The District met their commitment thus achieving 100% payout; and the Engineering section partially met their commitment and received 50% compensation payout. Managers who supervised the projects noted there was heightened teamwork, with substantial working across districts when spare capacity was available; as well as a heightened level of ownership from the project manager who was already an engaged employee. PFP participants agreed that the projects linked to the PFP targets were given highest priority, and the PFP increased teamwork in their area. The results of this study were evaluated and led to a second pilot program.
2. DOTD's second pilot pay-for-performance program is currently underway. This approach is centered on individual employee performance measurements. This pilot therefore ties a monetary incentive to employees who exceed established targets via the PPR process. Participants in this program include one workgroup from each of the five DOTD offices. It's important to note that DOTD utilizes a top-down/bottom-up approach to strategic and operational planning, which allows goals that are established at the agency level to be rolled down to each unit in the organization and then, to the individual employee. For employees participating in the pilot, a substantial percentage of their performance rating is tied to unit/section/office objectives, and the monetary award is based on their individual achievements toward agency goals and priorities. This study will conclude 6/30/10 at which time the results will be evaluated for possible agency-wide use.

Outcome: Efficiency

EMPLOYEE PERFORMANCE STANDARDS TIED TO AGENCY GOALS/OBJECTIVES – In Progress

DOTD has established a method of establishing employee performance measurements that will improve the agency's overall performance. That is, individual employee expectations, measurements and ratings are based on the employee's contributions towards the agency's accomplishment of its goals. The performance rating period for all employees coincides with the fiscal year schedule since this provides a more effective measurement of employee accomplishments toward fiscal year goals. DOTD has implemented a systematic method/timeframe for establishing agency, Office, and employee goals and measurements. Additionally, DOTD has begun using the recently-developed performance evaluation form on an agency-wide basis as this form provides more accuracy in measuring performance and facilitates a better alignment with agency priorities. For reference, DOTD's FY 09/10 schedule is as follows:

Fiscal Year 2009-2010 Goal Setting/PPR Timeline

Goals/Objectives

Date Action

4/13/09 Executive team approves agency goals

4/27/09 Offices & Divisions develop their goals

5/7/09 Sections & Districts

- Develop or validate objectives & performance measures and*
- Set new targets*

5/21/09 Sections & Districts submit goals, objectives, and performance measures to Division/Office for QA and approval

6/4/09 Divisions/Offices approve Section & District goals, objectives, and performance measures

6/4/09 Divisions/Offices develop their own objectives by selecting or creating Section & District objectives and performance measures

PPRs

5/1/09 - Supervisors prepare FY 09-10 PPR planning's; Reviewers review and return to supervisors, and supervisors conduct PPR planning sessions on new form

7/1/09 - Rating supervisors prepare FY 08-09 PPR ratings; Reviewers review and return to supervisors, and supervisors conduct review session

10/1/09 Agency annual PPR Report is submitted to Civil Service

12/31/09 Mid-year employee performance reviews conducted/completed

OUTCOME: EFFECTIVENESS

EMPLOYEE RECRUITING PLAN - In Progress

During 2008, DOTD developed and implemented a recruiting plan to re-energize the agency's recruiting efforts and establish a systematic framework for use throughout the state. The main objectives were to develop a broad candidate pool to fill vacancies, to create an aggressive and innovative approach to recruiting and to establish a dedicated budget for recruiting. Specific accomplishments are as follows:

- Trained the new recruiting team on presentation skills/techniques
- Enhanced DOTD's on-campus and on-line recruiting activities
- Established an internal referral rewards system
- Enhanced recruiting and marketing items
- Increased DOTD's recruitment visibility
- Increased student employment opportunities

Outcome: Efficiency

EMPLOYEE RETENTION PROGRAM – In Progress

DOTD, as with many state agencies, has a high turnover in personnel. The recruitment and training of new employees to fill the vacancies costs the department in time and money, so there is a real savings in putting an effort into retaining the employees that we have. During 2008, DOTD implemented an agency-wide retention plan to include the following activities:

- Established a challenging retention goal in comparison to state average.
- Began analyzing turnover rates by classification/geographical area on a quarterly, rather than annual basis, to more readily address critical turnover issues.
- Increased the agency's use of special pay tools to target areas where pay is truly the issue.
- Systematically conducts on-site meetings with targeted groups to determine issues other than pay which are causing high turnover (e.g., unacceptable working conditions, managerial issues/deficiencies, inappropriate selection tools, etc.)
- Revitalized DOTD's Exit Interview Process.
- Improved DOTD's employee recognition program to simplify the process and increase participation.
- Conducted agency-wide employee satisfaction survey to be repeated every two years; developed a communication plan to share results of the survey with employees; and took action to address issues revealed by the survey.

Outcome: Efficiency

AGENCY-WIDE SUCCESSION PLANNING PROGRAM – In Progress

As the workforce ages and the experienced employees retire, there must be a well thought out plan to transition the institutional knowledge to the workforce that remains. Beginning 7/1/09, DOTD implemented an agency-wide succession planning program to meet the following objectives:

- To provide an ongoing supply of well trained and broadly experienced employees to fill critical at-risk positions as vacancies develop.
- To encourage individual advancement, not only in leadership roles, but in all levels throughout the organization.
- To enhance employee loyalty, morale and retention by providing challenging and positive developmental opportunities that will facilitate advancement in desired career paths.
- To align competency-based employee development efforts with DOTD’s strategic objectives such that a ready supply of employee talent will be available to meet the agency’s current and future objectives.
- To help preserve “institutional knowledge” and perpetuate a knowledge management culture that is evidenced by knowledge-sharing activities to include the following activities (agency policy attached.)

Outcome: Efficiency

UNIFORM PERSONNEL POLICY (STATEWIDE)- Proposed

As a result of the integration of employees from the Department of Transportation and Development (DOTD) and the Department of Natural Resources (DNR) into the Coastal Protection and Restoration Authority (CPRA), there was a need for the CPRA to implement its own set of personnel policies and procedures applicable to this group of employees. While these CPRA employees are physically located in a building apart from the DOTD and DNR facilities, these employees administratively remain under their respective domiciliary agencies.

We have been working jointly with the Department of Natural Resources to develop a set of policies that appropriately address the needs of the CPRA, and have consulted with other state agencies on policy issues for comparison purposes. In this process a significant variation in personnel-related policies among Louisiana state agencies, some of which have budgetary impact and affect employees’ pay benefits. Examples include the amount of annual leave granted to employees prior to resignation or retirement, methods of compensation for overtime worked, and the pay-out of unused compensatory leave.

We recommend the Division of Administration address the possibility of a uniform personnel policy all state agencies.

Outcome: Efficiency

EXECUTIVE EMPLOYMENT REQUIREMENTS - PROPOSED

Civil service rules allow a classified employee to accept an unclassified executive-level position without the risk of losing the current civil service position. This was done to encourage long-serving state employees to take senior executive management positions and provide institutional experience and stability to the position. The classified vacancy that is created is filled after interviews are conducted and qualified individuals are detailed to the position. This policy affects the agency negatively when the qualified employees who have been detailed can, at any time, be displaced back to the former position whereby creating a bumping effect as if there was a layoff. Currently, DOTD has approximately ten unclassified positions whereby classified vacancies are filled by temporary details. As many as thirty to forty positions are affected by holding these classified vacancies.

The DOTD recommends that the Civil Service rules be changed to give the department the flexibility to require the employee to give up their classified position if they desire to be appointed to the unclassified position.

Outcome: Efficiency

ESTABLISH NEW EMPLOYMENT METHODOLOGY - Proposed

Currently Civil Service Rules allow for the employment of classified employees that have full rights under Civil Service Rules and unclassified employees which except for statutorily established positions are approved from one to two years. Extensions of the position must be approved by Civil Service. Both employment methods require a budgeted authorized position (TO).

The DOTD recommends a change to Civil Service rules that would allow each agency the ability to employ individuals into temporary positions (no longer than 5 years) without Civil Service approval. The positions would not count against an agency TO. This would allow an agency to assemble temporary project teams to submit proposals on competitively advertised projects in hopes of delivering the projects at a reduced cost.

Outcome: Efficiency and Cost Savings

Section Seven: Studies and Other Resources

List: Any studies (with a brief description) your agency has conducted that may be of interest to the commission; any national studies of studies in other states that might be of relevance; National organizations that might be a source of potential best practices for Louisiana.

BUSINESS PROCESS IMPROVEMENT PROGRAM (Disk provided of entire report) -Implemented

In 2004, DOTD embarked on a consultant facilitated (Dye Management, Inc.) examination of its business processes and organization. Departmental stakeholders (inside and outside of government) were surveyed and interviewed to identify candidate areas for improvement. The lengthy lists of candidate processes were prioritized and twelve processes were selected for thorough examination by teams composed of DOTD staff and external partners. A stakeholder committee of transportation partners, legislators, and DOTD executives was formed to provide review and oversight of the process. Unique to this effort was an implementation phase that was included at the outset to ensure the implementation of approved recommendations. More than 100 recommendations were approved and implemented in this effort. More than 200 DOTD staff members and external partners participated in the effort. (Copies of the reports will be provided.)

An organizational review was conducted in an effort to group responsibilities and accountabilities into a logical organizational structure. A district rationalization was conducted to restructure districts for improved accountability, ownership of responsibilities, and customer service. The new organizations were implemented in 2005 and 2006.

The successes of the program lead to the establishment of an internal Process Improvement/Change Management team who facilitated processes review and implementation of recommendations for an additional eight processes utilizing the established process improvement methodology. This internal effort evolved into the award winning DOTD Quality and Continuous Improvement Program featured herein.

Outcome: Efficiency

DOTD INTERNAL FINANCIAL PROCESSES STUDY – In Process

In June of 2009, the DOTD engaged the auditing and accounting firm of Postlewaithe and Netterville to conduct an analysis of the DOTD financial processes and to recommend the most effective, transparent, and efficient organizational structure, processes, technology, data, reporting and performance and accountability measures and to assist DOTD management (i) in

understanding and determining the functions and/or responsibilities to properly administer state and federal funds; (ii) in evaluating certain procedures and controls related to financial reporting, both internally and externally in accordance with generally accepted accounting principles, and (iii) in assessing the status of addressing recent audit findings related to these areas.

The firm began its work in July of 2009 and is scheduled to deliver the recommendations and report in January of 2010.

Outcome: Efficiency

THE LOUISIANA TRANSPORTATION CONFERENCE - Ongoing

The Louisiana Transportation Conference is held on a biennial basis to foster a better relationship and understanding among the Louisiana Department of Transportation and Development, Federal Highway Administration, and the transportation industry by providing an interchange between the public and private sectors relative to transportation policy, practice, and problems. Over 1500 transportation professionals from 24 states and Canada attended the three-day 2009 Louisiana Transportation Conference. This year's theme was *Transportation Innovation: Solving Tomorrow's Challenges*. Representatives from the public, private, and academic sectors of the transportation industry convened at the Baton Rouge River Center on February 8-11, 2009 to attend technical sessions, workshop, panel discussions, and networking receptions. Over 200 speakers led discussions on topics ranging from research to innovative solutions in today's transportation industry.

The 2009 conference was truly a public private partnership. Financial support from transportation industry sponsors contributed to the success of this year's event. In order to defray the costs of the conference, DOTD initiated sponsorship packages for the first time in the conference's history. The response was overwhelming as industry leaders and private sector organizations came together to offset the costs of the conference so that no state funds were needed to host the event. The conference ended with a net gain of over \$39,000 that will be used by the Louisiana Transportation Research Center for future technology transfer and educational events.

Outcome: Efficiency

DOTD CUSTOMER SATISFACTION SURVEY - Ongoing

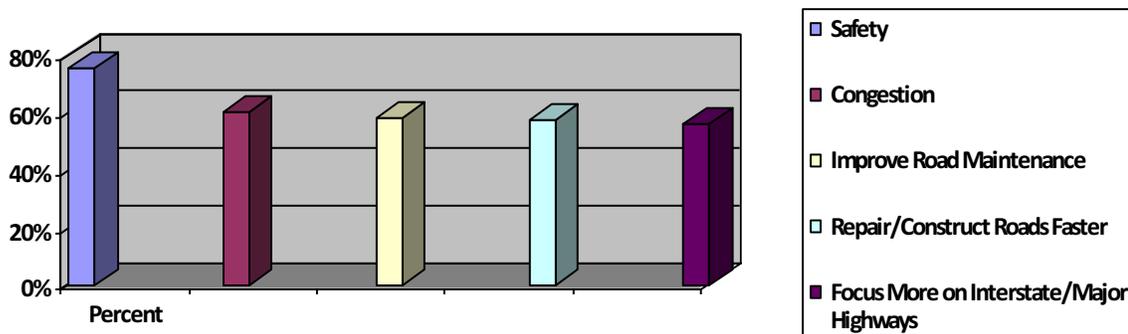
DOTD's Customer Service Department's call center conducts an annual customer service survey to measure what the public thinks of the job we are doing. In addition to giving DOTD managers' important information on public perceptions of our performance and programs, the survey tells us where the public thinks we should be spending more – or less – money. By using

the student workers in the call center to conduct the survey, DOTD saves approximately \$60,000 a year that would have gone to a professional call center. The entire annual cost of running the call center is about \$60,000 a year, so the vast majority of the work the students perform is 100 percent value added to the department. In other words, the cost savings from the annual survey subsidizes every other aspect of the call center.

The findings of the of the 2008 survey showed that in general, there was a slight improvement in the opinion of respondents about the agency. Fewer respondents were neutral about their opinion about DOTD and more spoke highly about DOTD in 2008 than in 2007. Safety was the number one priority for respondents in both years. “Relieve congestion” made the top three priority list in 2008 and bridge maintenance dropped out of the top five priorities in 2008 and was replaced by interstates and major highways.

There were a few major improvements in the overall image of DOTD in 2008: 1) Hard working maintenance crew made it to the top three of the list that form the general perception of DOTD/highway system in Louisiana, and 2) lots of litter dropped from the second to the fourth place on the same list. The major recommendation is to continue to institute better and/or enhanced means of communication with the public - also recommended by the 2007 study. In response to 2007’s survey DOTD increased the number of public outreach programs for construction projects from three to six. In 2009, there are eight active outreach programs. The program has also expanded outside the capital region to District 2 (Causeway Interchange project) and District 4 (LA 523 project). The program consists of public meetings, project web pages, Facebook pages, and monthly e-mail updates.

In the opinion of the respondents, given the limitations of funding, DOTD should focus more of its resources on the following:



Comparison of the 2007 study to the 2008 Study			
	2008	2007	Comments
Sample			
General Satisfaction	In general, respondents were neutral about their opinion of the agency.	In general, respondents were more positive in the opinion about DOTD	In general, there was an improvement in the opinion of respondents about the agency in 2008.
Image	The overall image of DOTD/highway system in Louisiana is generally one of: congestion and delays, lots of litter, and wasted tax dollars. On a positive note, they do perceive that road construction workers are doing their job.	The overall image of DOTD/highway system in Louisiana is generally one of: congestion and delays, waste tax dollars, hard working road maintenance crews and lots of litter	There were major improvements in the overall image of DOTD in 2008: 1) Hard working maintenance crews made it to the top three of the list that forms the general perception of DOTD/highway system in Louisiana, and 2) lots of litter dropped from the second to the fourth place on the same list
Opinion about Priorities	In the opinion of the respondents, given the limitations of funding, DOTD should focus more of its resources primarily on safety, improve road maintenance, and repair/construct roads faster, relieve congestion, and bridge maintenance.	In the opinion of the respondents, given the limitations of funding, DOTD should focus more of its resources primarily on safety, relieve congestion, improve road maintenance, repair/construct roads faster, and interstate and major highways.	Safety was the number one priority for respondents in both years. Relieve congestion made the top three priority list in 2008 and bridge maintenance dropped out of the top five priorities in 2008 and was replaced by interstates and major highways.

Outcome: Efficiency

Section Eight: Agency Best Practices

List and identify any current successful streamlining initiatives taking place (or has taken place) within your agency.

QUALITY AND CONTINUOUS IMPROVEMENT PROCESS (QCIP)- Implemented

DOTD's Quality & Continuous Improvement Program (QCIP) enables it to function much more efficiently and effectively by performing two major functions: serving as a catalyst for positive and continuous process change within DOTD (Process Improvement); and by helping manage the "people side" of those changes (Change Management).

Process Improvement and change management is an approach focused on step-by-step changes or solutions to eliminate or reduce defects, costs, cycle time or simply make an organizational process perform more efficiently. Change Management focuses on how process change affects the personnel involved, with an ultimate goal of maximizing the effectiveness of the change and the efficiency of its implementation. A few examples of recent program successes:

- Strategic Planning for 2009-2013 was completed with a special commendation from the Division of Administration.
- The consultant selection cycle time was reduced by approximately **60%**, which earned DOTD an AASHTO Bronze Trailblazer Team Award, which was awarded on July 1, 2009.
- The Quality and Continuous Improvement Program (QCIP), formerly Change Management Program, applied for and was awarded the National Partnership for Highway Quality (NPHQ) Bronze Risk Taking Award for 2006. DOTD was awarded this honor for developing new ideas, convincing and motivating teams to take intelligent and calculated risks to improve the routines, processes and procedures that prevailed.
- The development and implementation of the Department's new Transport internet bid process management program.

QCIP has enabled DOTD to not only survive, but to actually thrive during these uncertain economic times.

If streamlining Louisiana state government is to become a reality, other agencies must make every effort to emulate our success by forming similar programs.

Outcome(s): Safety Improvements, Cost Savings, Efficiencies, Streamlining Processes, Time Savings

DESIGN –BUILD - Implemented

In looking for innovative approaches to respond to the public's needs, DOTD is attempting to utilize design-build agreements. Currently, the agency is only authorized to enter into a contract with a single entity being responsible for the design and construction of a public work. With design being an element, the selection process should not be conventional. In Louisiana, DOTD is required to award the public work contract to the lowest responsible bidder. The law applicable to DOTD, Title 48, provides for a design-build bidding procedure but, the selection of the successful proposer is still in line with low bidder laws. DOTD is required to award to the proposer with the lowest adjusted score, acquired by application of a formula using a technical number, day number and value number (in dollars) for days. This administration has been a proponent for acceptance of the "best value" practice for selection of the design-builder, not lowest adjusted score. Legislative change is necessary for implementation of this process. Best value, recognized by the Federal Highway Administration is a means of combining price and qualitative components, considering tradeoffs and even allowing limited negotiations after the source selection but prior to contract execution. Although, this practice does not include a straight mathematical calculation, this type of selection process requires extensive documentation of the agency's rationale for business judgments, tradeoffs, benefits, cost, negotiations etc.

Another aspect of this innovative approach that DOTD currently is unable to take advantage is design-build-maintain. Title 48 allows this agency to combine the design phase and construction phase only. The maintenance portion, to date, although a viable option is not politically practical. Under the design-build-maintenance, the single entity assumes the risk of associate preconstruction through post construction. The proposer is submitting a maintenance plan usually an extended period of time as specified in the contract advertisement. The maintenance is budgeted as part of the project, which relieves the agency of the risk associated with the future costs to maintain the facility. Also, there is reason to believe that if a proposer is required to maintain the project a better product will be provided.

DOTD is proud of its accomplishments in the design-build arena. The agency is committed to continued use of this method of contracting but, desires to move away from the more conventional use of design-build to address an entire system need to design, build and maintain the best infrastructure for Louisiana

Outcome: Efficiency

LOUISIANA PARTNERSHIP FOR HIGHWAY QUALITY (LPHQ) - Ongoing

State Quality Partnership is a voluntary, active group of professionals who meet regularly and share common goals for the continuous improvement of highways, roads and bridges. Members represent the state department of transportation, Federal Highway Administration division, industry associations of practicing construction contractors and design consultants, city and county officials, and other stakeholders. An SQP advances service, safety, efficiency and environmental stewardship. It sends the clear message that a state DOT plans to capture every opportunity to serve the driving public and boost economic prosperity.

The Louisiana Department of Transportation and Development, Federal Highway Administration (FHWA), and Associated General Contractors (AGC) are chairs of the Louisiana Partnership for Highway Quality (LPHQ). These individuals and others have come together to formally set up a state quality partnership to work together to deliver a better highway and transportation system for the State of Louisiana. The formal signing of the partnership charter was held on September 14, 2007.

The LPHQ applied for and have received a Tier 1 accreditation for the efforts and work in forming this partnership team. On Monday, March 3, 2008, DOTD Secretary acknowledged receipt of the accreditation certificate and commended the chairs for their support and continued efforts of partnering to grow a quality and support to maintain sustainability of this state's highways/transportation systems mobility.

Outcome: Efficiency

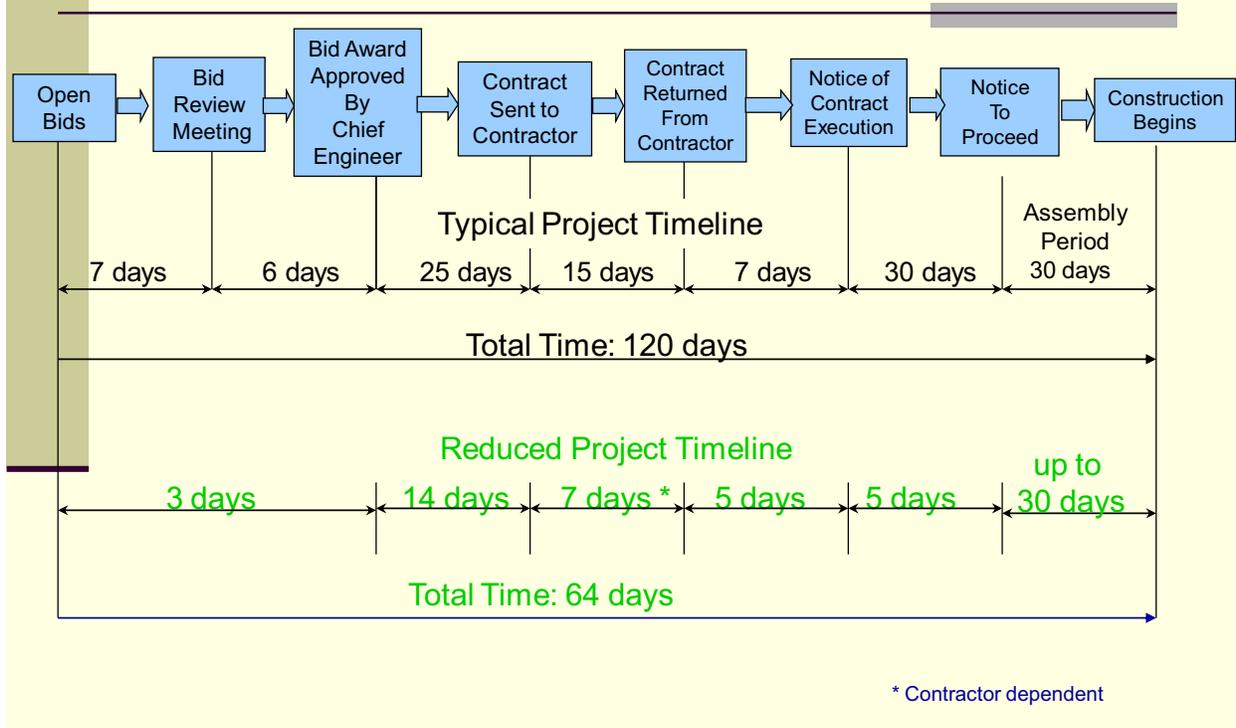
COMPRESSION OF CONSTRUCTION TIMELINE - Implemented

Two process improvements have been made to reduce the construction timeline.

Reduction in time from receiving bids to actual construction: DOTD and the construction industry partnered to reduce the number of days from receipt of bids of a project to actual start of construction. This reduction in time of approximately 50% for preservation projects and approximately 30% for complex projects allows for quicker infusion of construction dollars into the economy.

Reduction in time of construction: DOTD and the construction industry partnered to review the actual time it takes to construct a project. Through this initiative, the days to construct a project have been reduced.

New Bid Opening to Construction Start Timeline Preservation Projects



Outcome: Efficiency

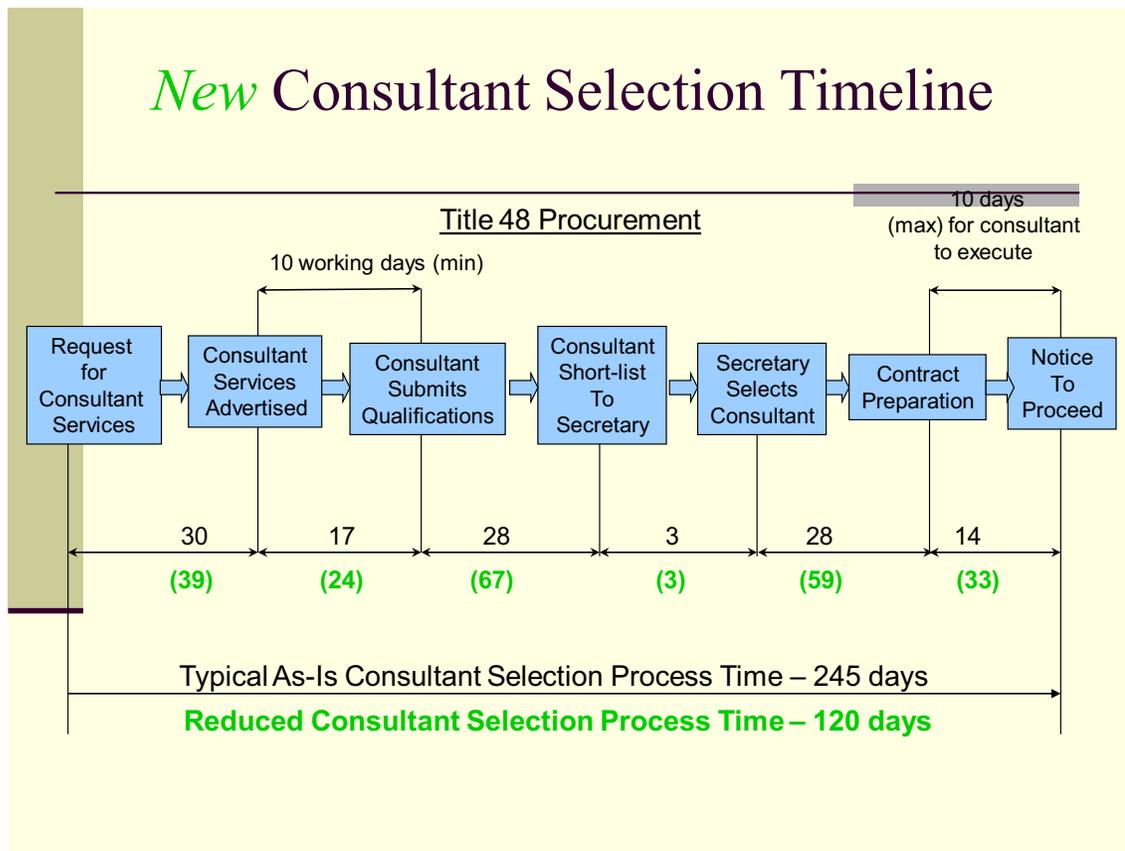
CONSULTANT SELECTION TIMELINE PROCESS IMPROVEMENT - Implemented

DOTD staff recognized that the consultant selection process was too long. In an effort to shorten the time that it takes to procure a consultant for engineering and related services, a process improvement analysis was initiated.

One key point the analysis identified involved revising the consultant selection statutes. A synopsis of these statute changes during the 2009 legislative session are as follow:

- Advertisement only on DOTD website in lieu of various publications.
- Allowing project specific teams to evaluate proposals instead of one standing committee reviewing all proposals which resulted in back log.
- Flexibility to shorten the advertisement time from 14 days to 10 working days.

The consultant selection cycle time was reduced by approximately **60%**, which earned DOTD an AASHTO Bronze Trailblazer Team Award, which was awarded on July 1, 2009.



Outcome: Efficiency

OVERSIZE AND OVERWEIGHT PERMITS SYSTEM UPGRADE - Implemented

DOTD currently administers the permitting of oversized and overweight vehicles through the Truck Permit office under the laws established in RS 32:380-387.18. These statutes provide for 27 different types of permits to be issued, the majority of which are for single trip oversized and/or overweight. In 2008, the revenue generated by selling over 200,000 permits was \$22 million, however the fees for 12 of these 27 permits, which averages \$25 per permit, do not cover the cost of administration. Some permit fees have not been adjusted since 1986, with the last adjustment for many of in 1997. Permit fees in Louisiana are generally lower than in our neighbor states for lower weight classes but higher for weight classes above 150,000 pounds. Studies have shown that overweight permit fees are not high enough to pay for the damage caused by heavier vehicles.

In an effort to lower the administrative costs and to provide better service to the customer, the Weights & Standards Truck Permit office introduced a web based permit application using their Permits Electronic Routing Bridge Analysis (PERBA) software upgrade in February 2009. This

upgrade allows certain permits to be requested and obtained electronically without the need to talk to a person.

LA DOTD now has 2,030 web customers, with a daily average of 600 to 700 permits being ordered via the website. An average of 200 permits are issued daily utilizing pre-approved routes (routes are being added daily) allowing the customer to order a permit without any human intervention 24 hours per day, 7 days per week. This improvement will further speed the issuance of permits requested by telephone. Telephone customers are experiencing reduced wait times due to the number of other customers that have switched to electronic applications.

Outcome: Efficiency and Customer Service

WEIGHT VIOLATION PAYMENTS – In Progress

The LA DOTD Weight Enforcement Business Office processes many payments for violation tickets each day. Currently, if a customer elects to use a credit card, they must call the office and provide all of the required credit card information by phone. The employees then have to manually obtain the required authorizations for payments in a separate step in the process. DOTD has been working on a new on-line electronic system to allow customers to provide their secure credit card information via the Internet and process those transactions electronically. The electronic payment system is expected to be implemented by the end of 2009 for violation payments and early 2010 for purchasing permits.

Outcome: Improved efficiency, improved customer service

INTELLIGENT TRANSPORTATION SYSTEM (ITS) - Implemented

ITS is a national initiative aimed at using state-of-the-art technology (electronic message boards cameras, traffic centers, etc.) to increase the safety and efficiency of Louisiana's highway systems. As a leader in this effort, DOTD, teaming with the state's Metropolitan Planning Organizations (MPOs), local governments, and private partners, has made significant progress in the initiation of both state and regional ITS systems. The opening of the Baton Rouge Advanced Traffic Management and Emergency Operations Center (ATM/EOC) is a landmark accomplishment that demonstrates the progression of cooperative partnering and working "outside-the-box" to improve conditions on the state's highways.

The ITS Section was established in 2006 with core technical and business functions staffed with subject matter experts to effectively deliver the program.

There currently exists 37 positions within the ITS Section, 28 technical-level support staff to perform systems management and operations and 9 engineering and administrative personnel

to perform planning, design, and QA/QC functions. These “in-house” resources were identified subsequent to determining the appropriate knowledge base and technical support essential for DOTD to own and sustain an effective ITS program. However, due to the high volume of work required along with the uniqueness of the ITS business within the conventional DOT structure, it was determined to be unfeasible for the Department to staff all activities with in-house personnel. Therefore, an optimal combination of **in-house (24%) and contract (76%)** personnel, based on **national guidance and best practices** from peer State DOT’s, constituted the best approach to staffing all the business functions of ITS.

For comparison, DOTD investigated a total outsourced solution for the ITS program. Results showed contracting would cost an additional \$645,000 or 28% over in-house personnel resources of the same skill-set level. On average, it was found that Consultants pay employees 6% to 28% higher for similar levels of experience. Also, Consulting Firms receive an average of 15% profit margin for labor expended whereas DOTD does not. This calculation assumes no difference in overhead or indirect costs. Aside from cost, the major disadvantage of contracting all staffing support would be loss/absence of core competency necessary for the state to own and sustain an effective ITS program.

Outcome: Cost Efficiency and Cost Savings (\$600K by not privatizing the entire section)

CONTRACT GUARDRAIL REPAIR- Implemented

DOTD has eight (8) retainer projects one in each district except for District 05 and District 58 which are combined. These contracts are necessary to expeditiously repair damaged guardrail. This can no longer be performed with in-house forces due to reductions to personnel and supplies and specialty work. When a guardrail is damaged the district notifies the contractor to repair the damage. Payment is based only on the materials and labor used to repair the damage and return the guardrail to like-new.

Outcome: Safety

CONTRACT IMPACT ATTENUATOR REPAIR - Implemented

DOTD has one (1) project statewide that is administered from Headquarters. These contracts are necessary to expeditiously repair damaged impact attenuators. This can no longer be performed with in-house forces due to reductions to personnel and supplies and specialty work. Similar to the guardrail contracts, when an attenuator is damaged the district notifies the contractor to repair the damage. Payment is based only on the materials and labor used to repair the damage and return the attenuator to like-new.

Outcome: Safety and Efficiency

MOWING AND LITTER AGREEMENTS – CITY - Implemented

DOTD has cooperative endeavor agreements with 198 cities/municipalities. These agreements are for mowing and litter collection on state routes within the jurisdiction of the cities/municipalities. In most cases payment is based on 4 cycles per year and is made semi-annually. DOTD only pays for the agreed upon number of cycles although a city/municipality may perform more cycles. This program gives advantages to both the state and municipalities.

Outcome: Safety and Efficiency

MOWING AND LITTER AGREEMENTS CONTRACT-Implemented

DOTD has forty-eight (48) contracts for mowing and litter collection on interstate and major arterial routes that encompass one hundred eighty-three (183) control sections. These contracts are necessary to perform consistent routine maintenance of roadside vegetation and litter control. This can no longer be performed with in-house forces due to reductions to personnel, equipment, and supplies. These are annual contracts that can be renewed up to four (4) additional one-year periods at the discretion of the Department.

Outcome: Safety

TRAFFIC SIGNAL MAINTENANCE - Implemented

DOTD has cooperative endeavor agreements with eleven (11) cities for maintenance of traffic signals. These agreements vary from full engineering and maintenance to bulb replacement and electricity. These agreements are necessary to expeditiously repair inoperable traffic signals. This can no longer be performed with in-house forces due to reductions to personnel and supplies. Payment varies depending on the number of signals maintained and the extent of the activity and is made semi-annually. This program gives advantages to both the state and municipalities.

Outcome: Safety and Efficiency

REST AREA MAINTENANCE AND OPERATION/REST AREA SECURITY- Implemented

DOTD has contracts for the maintenance and operation of nine (9) rest areas. These agreements are necessary to have more visibility at the rest areas and to have expeditious repairs in lieu of having department personnel on-site only a few hours daily. This can no longer be performed with in-house forces due to reductions to personnel and supplies. The contractor is required to have attendants on duty at the rest areas twelve (12) hours a day, seven (7) days a week. Maintenance includes cleaning facilities, mowing, litter and trash collection, and maintenance and operation of treatment facilities.

We have four (4) agreements with local sheriffs and five (5) agreements with private security companies for rest area security at nine (9) rest areas. These agreements give the public a sense of safety during the hours when attendants are not on site. In most cases the security is for twelve (12) hours at night, seven (7) days a week.

Outcome: Safety and Efficiency

DRIVEWAY PERMITS- In progress

Louisiana RS 48 §381 provides the authority for the DOTD to collect permit fees. Currently, the Department does not charge a permit application fee to issue permits. In 2001, a study was conducted by the Permit section to determine the costs of processing a permit. The study determined that it costs DOTD \$2,766,096 per year to process more than 5000 permits.

LADOTD is in the process of updating its access management policies and procedures to improve safety and capacity of the state highways. The Department hired the University of South Florida to assess what needs to be accomplished to implement an access management policy. An Access Management Action Plan was completed with ten objectives outlined on what LADOTD needed to address. One of the recommendations was to charge permit application and reapplication fees to discourage speculative applications and offset administrative and inspection costs. Many states charge permit fees. The proposed fees are on par with what most states charge. The proposed fees could help instrument a website to facilitate electronic permit applications, update the equipment in the District and Headquarters sections or supplement salaries.

Outcome: Efficiency

COMPETITIVE BIDDING-Proposed

Competitive bidding (letter bidding) is currently required for small purchases over \$1000 and under \$5,000 by Executive Order KBB 2007-10, Section 4. The rapidly rising cost of all products since the Order was established has resulted in an ever growing list of products that must now be bid, which has rendered the process extremely inefficient. Allowing single source purchases for items under \$5,000 will eliminate a great deal of administrative effort.

Outcome: Cost and Efficiency

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) – PROGRAM ADMINISTRATION – In Progress

On March 2, 2009, the Federal Government through the American Recovery and Reinvestment Act (ARRA) allocated \$430 million to the State of Louisiana for transportation projects. The breakdown of funds is as follows (all funding administered by DOTD): \$299 million for projects

at the discretion of DOTD, \$118 million for projects at the discretion of the Metropolitan Planning Organization, and \$13 million for enhancement projects at the discretion of DOTD. The total number of projects at this time is 91. To date, funding for 30 of the projects is under contract and/or obligated which represents 55% of the total amount of funding available. As per the federal law, 50% of the DOTD discretionary funding (\$299 million) and 50% of the enhancement funding had to be obligated by June 29, 2009. DOTD not only met this requirement but exceeded it. The balance of funding for DOTD discretionary and enhancements must be obligated by March 2, 2010. The MPOs have until March 2, 2010 to obligate 100% of the ARRA funding. DOTD streamlined certain activities in order to meet the required stipulations contained in the Federal Law.

Outcome: Efficiency

STATE SUPPLUS – CAPITAL PROGRAM ADMINISTRATION - Implemented

In 2007, 2008 and 2009, Louisiana's state leaders dedicated large surplus appropriations to improve our transportation infrastructure. The Legislature has dedicated approximately \$1.4 billion from general fund surpluses to 450 projects to improve our transportation system. 160 are completed, 163 are under way and 127 projects have been scheduled for bid.

As of today, the DOTD has obligated or contracted more than \$930 million in surplus projects on time and on budget, in addition to delivering the regular Highway Priority Program.

Our roads and bridges are in better shape today than they were several years ago, before the surplus funds were invested in our infrastructure. Through surplus, DOTD improved 1,096 miles of roadway earlier than would have been possible under the overburdened Highway Priority Program and funded 36 port and hurricane flood protection projects.

Also, because no surplus funds were spent on DOTD operations or administration, every penny went into infrastructure with no "overhead" costs, making surplus funding for transportation a great value for taxpayers.

The DOTD surplus program received the AASHTO 2009 Silver Pathfinder Award for Team Excellence.

Outcome: Efficiency

LAGOV DOTD ERP PROJECT OFFICE - Implemented

In August 2007, DOTD created the DOTD ERP Project Office to provide a single office to oversee the upcoming project to implement an ERP for the State of Louisiana. The DOTD ERP Project Office has been the central point for all project related activities for DOTD. The group provides

communication to the Department on the project, ensures that appropriate personnel are involved in design sessions, meetings, and data gathering activities.

The DOTD ERP Project Office is housed on the same floor as the State LaGOV team and interacts with the team on a daily basis.

This office has performed the types of activities necessary to ensure that DOTD is successful in the migration from existing legacy application to the new ERP integrated solution.

The Louisiana Department of Transportation and Development has implemented several AASHTOWare Trns•port software modules (Preconstruction and SiteManager) as a replacement of several mission critical systems, and modules (CES and BAMS\DSS) as tools to develop better cost estimates. Developed by AASHTO, this software is considered an industry best practice. The software modules were developed by a consortium of Transportation agencies, which incorporated into the products the best practice of their agencies. The Trns•port software provides better reporting tools to conduct bid analysis, tools to detect bid collusion, and improves efficiency by providing Engineers greatly improved access to bid and cost data.

Outcome: Cost Savings and Efficiency (See information Section 2 Public Works)

WORK FORCE DEVELOPMENT – In Progress

DOTD is in the process of researching and developing a comprehensive Workforce Development Plan. The plan will define workforce planning by answering these questions:

- What is the key to workforce planning?
- Why is it so urgent now?
- What is different now?

The general guidelines will stress that the workforce plan is not a static document or one-time activity. The plan will tailor the process to DOTD's unique needs and identify information to assist decision-making by determining the most critical issues facing DOTD. The workforce development plan will integrate and align with the DOTD Strategic Plans. The importance of sustainability of workforce development planning will also be addressed.

Outcome: The outcome will lead to efficiency and effectiveness of DOTD's well trained staff within operations state wide.

BRIDGE TEAM APPROACH- Implemented

DOTD faces many challenges including the design, management, construction and preservation of our bridge inventory. Seven separate groups at DOTD have some aspect of bridge responsibility to carry out. A recent evaluation was performed to assess whether duplication of services was occurring. The result of the evaluation was the determination that, while there is potential overlap between functions of some groups. Each has a valuable and unique mission to accomplish.

With such a diverse group of bridge professionals, the DOTD administration decided a team approach was needed to ensure that the various bridge groups are working together. The DOTD Bridge Program Team was formed to facilitate communication, cooperation and coordination between various members of these groups.

The Bridge Team is under the leadership of the Project Development Director, who will be accountable for the performance of the DOTD Bridge Program. Individual team members representing elements of the Bridge Program will be accountable to the Team Leader for their respective subprograms. A communication and emergency management protocol was the first element established by the Bridge Program Team, and it identifies responsibility for appropriate interaction within the agency. The Bridge Team has been implemented, and protocols are in place.

Outcome: Efficiency

BUY BACK PROGRAM FOR EQUIPMENT- Implemented

DOTD has a buyback program for some of our production equipment such as motor graders, excavators, mowing tractors, etc. In this program DOTD signs an agreement to purchase the pieces of equipment (approximately \$14M per year), and next year the dealer will buy the equipment back; the buyback price is usually very close to the original purchase price (sometimes higher). This is less expensive than leasing the equipment for a year. The type of and quantity of the equipment is determined by the vendor according to the market needs. DOTD is currently taking full advantage of all possible buy back equipment available.

Outcome: Cost Savings Estimated \$1M per year

CONTRAFLOW OPERATIONS PLAN - Implemented

DOTD first attempted reverse lane operations (i.e., Contraflow) on the Interstate system during the emergency evacuation from Hurricane Ivan in September 2004. The traffic congestion caused by the evacuation of the New Orleans region was significant. Subsequently, both DOTD and the Louisiana State Police re-opened the Contraflow plan. A team of professionals from

both agencies was formed. Traffic models were developed, evacuation alternatives analyzed, and improvements were engineered.

The Contraflow Plan, in its current configuration, has been implemented twice since Hurricane Ivan; once for Hurricane Katrina in 2005 and once for Hurricane Gustav in 2008. In both cases, implementation of plan was considered a success. For Hurricane Katrina, over 1 million people successfully evacuated and over 2 million evacuated for Hurricane Gustav. While traffic was congested in some locations in South Louisiana, the longest reported travel time from New Orleans to Baton Rouge was around 2 ½ hours. By comparison, congestion from Hurricane Ivan caused delays in excess of 12 hours for the same trip.

In summary, success of the Contraflow plan in Louisiana can be mostly attributed to the close, cooperative relationship with DOTD and State Police have with our sister state and local agencies as well as our neighbor, the State of Mississippi. This level of cooperativeness could not have been attained but for the steady commitment of these agencies to review, rehearse, and communicate the plan to our leaders and the public.

Outcome: Safety and Efficiency

PONTIS – BRIDGE INSPECTION AND MANAGEMENT PROGRAMS - Implemented

LA DOTD has transitioned the bridge inspection and management programs to element based inspections and are utilizing the PONTIS AASHTO ware software as the backbone to the management system. Last year we completed training and implementing the inspection side of this system. Field inspection data is gathered on Palm or Windows based handheld PDAs that can be synchronized to a PC when the inspector returns to the office. The inspections are instantly available to anyone who has access to PONTIS. Photos are transferred from the camera card to a file on the main server, and are automatically linked to the inspection overnight. Also, any type of electronic media, such as scans of sketches, plans, etc. can be saved to the same server, where they too will be linked automatically to the bridge during the overnight updates. The reviewing supervisor and engineer can review and approve the reports from their PCs without waiting for the inspectors to print and deliver the inspection reports. Their approvals are password protected to avoid forged reports. The use of this system has drastically reduced the time it takes to get inspection data from the field to engineers in Headquarters for review. It has also reduced the amount of paperwork that must be transmitted back and forth between the District offices and Headquarters.

Outcome: Efficiency

DEVELOPMENT OF A GEOTECHNICAL INFORMATION DATABASE- - Implemented

The Louisiana Transportation Research Center (LTRC), created a Geotechnical Information Database for existing and future geotechnical records and data, which benefits LADOTD by reducing or eliminating the need, and time, necessary to conduct new soil borings and test their samples. Researchers created a Global Information System (GIS) with a user friendly interface and links to existing databases within (and outside) the Department to speed access times, compared to hardcopy searches, consolidating vast amounts of information into one online resource. The application operates in a Microsoft Web environment, and has been successfully implemented within LADOTD. Specifically, this system...” enhances the Geotechnical Design Section’s ability to select proper boring depths. Additionally, the information attached to the database such as load test data, pile driving logs, and other activity logs will greatly improve the pile resistance prediction. The better pile length prediction may ultimately reduce the cost of foundation construction.”

Outcome: Cost Savings

SELF GENERATED FUNDING SOURCES AND RETURN ON INVESTMENT

The Louisiana Transportation Research Center (LTRC) is a flagship research, technology transfer, and training center administered jointly by DOTD and LSU. Since its creation by the Louisiana Legislature in 1986, LTRC has gained national prominence through its efforts to improve transportation systems in Louisiana. The center conducts short term and long term research and provides technical assistance, training, continuing education, technology transfer and problem solving services to DOTD and the transportation community at large.

LTRC is largely funded by the Federal Highway Administration and DOTD. LTRC has been very successful in recent years in receiving research awards and grants from federal and private sources. Over \$2.58million has been received from Federal Highway Administration’s Innovative Bridge Research & Deployment program (100% funding) for nine research projects. Funding from the National Academies’ National Cooperative Highway Research Program has totaled \$1.16million for four projects. Over half a million dollars has been received from industry and the Corps of Engineers.

The return on investments for research can be exemplified by recent savings identified on several DOTD projects. Applied research on High Performance Concrete saved DOTD over \$13m on the design and construction of the new I-10 twin spans. Research at the LTRC Pavement Research Facility developed two new pavement designs which three years after implementation by DOTD saved \$4.9 million and continues to provide reduced construction and maintenance costs with full implementation. Over two million dollars was saved from

implementation of electric cone penetration technology on the LA 1 corridor construction and the I-10-twin span structure.

LTRC Transportation Training & Education Center is a state of the art technology transfer and training facility which was constructed with the merged resources of DOTD, LSU and industry. Since its opening in 2006, TTEC has provided professional, leadership and certification training to over 13,700 DOTD, university and transportation industry personnel and has generated over \$270,000 in self generated fees from non-DOTD students.

Outcome: Efficiency

SOUTHEASTERN TRANSPORTATION CONSORTIUM - Implemented

The Louisiana Transportation Research Center has initiated a collaborative research program consortium through the FHWA Transportation Pooled Fund (TPF) Program. The research program is called the Southeast Transportation Consortium (STC) and is intended to encourage coordination among member states and provide resources and management of collaborative studies. The consortium intends to address high priority transportation research topics of common interest to the southeast region states and for which expertise exists within the region. This objective is to foster intra-regional growth in knowledge, skills and abilities among transportation professional and academic partners in the region to avoid duplication and produce superior research and technology transfer.

STC's purpose is to pool the financial, professional, and academic resources of the region to coordinate research and develop improved methods of dealing with common problems. Eight southeastern states have committed funds for the consortium with three more states expected to commit by October.

State DOT's will identify priority topics that they hold in common and for which expertise exists in the region. Potential focus areas include advanced transportation materials, freight issues, highway infrastructure issues, traffic simulation models, environmental topics related to water quality and habitat connectivity and transportation Funding. The program is intended to supplement, not to replace, ongoing state, federal, and university research activities and other national programs such as the National Cooperative Highway Research Program. It is intended to reduce duplication of research and provide means for better communication of on-going research activities in the state research programs.

Outcome: Efficiency

**REDISTRIBUTION OF FEDERAL HIGHWAY ADMINISTRATION -REMAINING HIGHWAY FUNDS-
Implemented**

Annually the Federal Highway Administration performs what is called the August Redistribution, which reassess the financial needs of each state and the Obligation Limit distributed to each state at the beginning of the fed fiscal year. The funds which have not been obligated by August are redistributed to state that have the ability to spend additional funds. States must be able to demonstrate that they can spend their entire obligation authority to qualify.

The DOTD has never left federal funds on the table which has put it in the position of capturing additional federal funds from the August Redistribution. This year the Louisiana DOTD will once again obligate all of its original limitation and has requested an additional \$22 million for obligation. Project Finance's Federal Aid Unit in cooperation with the Engineering directorate has identified projects which "are ready to go" and the appropriate apportionment to use this funding. Once the redistribution is completed by the FHWA and addition limitation is granted, we will complete this process by submitting project authorization request

Outcome: Efficiency

EXECUTIVE LEVEL OUTREACH - Implemented

Secretary Ankner has taken an initiative to visit local government elected official and state elected officials in their respective districts t to discuss transportation projects and issues. This effort began as a method for the secretary to gain an appreciation of the condition of the state's transportation system, the meetings involved detailed discussion of parish and district wide priorities and concerns. This is exclusive of the legislatively mandated highway priority program road show.

The results of these annual meetings are a detailed understanding by the Department's leadership of issues that may not normally rise to the level of Secretary. This enables the department to better allocate unexpected and expected resources. This was very helpful in developing surplus and stimulus projects. Additionally, Legislators have a greater appreciation of the departments understanding of their issues and responsiveness, and parish elected officials get executive level attention to their concerns.

Outcome: Efficiency

GREEN TEAM – In Process

The Green Team has helped reduce government waste in efficient use of paper, energy conservation, recycling, and conservation awareness.

More efficient use of paper was promoted through use of duplex printing and reduction of paper forms; offering CD's instead of paper as an option for public records requests, using technology to reduce paper through programs such as: *Project Wise*® to make plans more readily available digitally, *Content Manager*® to allow engineer's orders to be viewed digitally, and *Approve It*® which allows use of digital signatures for plans, timesheets and registering for LTREC classes.

Energy conservation was advanced through installation of energy efficient lights, studying installation of occupancy sensing light switches; software to reduce computer energy use when machines are idle, and encouragement to use "Green" Purchasing practices (purchasing catalog lists "green" items).

Recycling was improved through provision of additional recycling containers, and a recycle container design contest.

Awareness for "green" practices was raised through a presentation at new employee orientation, announcements on electronic monitor, conservation tips at copy machine/printers, home conservation information and tips, findings and other information to be put on website

Outcome: Efficiency

SUBMERGED ROADS PROGRAM-Implemented

State highway infrastructure in coastal Louisiana was damaged as a result of Hurricanes Katrina and Rita from storm surge, from flooding, and from debris hauling and recovery related freight movements. DOTD was able to demonstrate damage to highway pavements through the use of its Pavement Management System inventory of pavement condition data. The Department was able to secure nearly \$100 million in Emergency Relief funding from the Federal Highway Administration to repair the pavement on over 250 miles of state highway. DOTD has also worked with local officials to secure and administer Emergency Relief funding for pavement repairs on locally-owned roads and streets particularly in Jefferson, Orleans, and St. Bernard Parishes often referred to as the "Submerged Roads Program."

Outcome: Efficiency