



State Transportation Board Retreat

June 10, 2008





Vision for Transportation in Georgia

- Seamless movement of people and goods from origin to destination
- Opportunities for multiple modes of travel to and from their points of origin
- Sustainable long term funding resources used efficiently and effectively
- A transportation system that helps to promote economic prosperity for Georgia



What Does This Vision Require?

- Creation of a short term and long term transportation and mobility strategy for the state
- Leverage existing resources and develop a sustainable funding resource for transportation initiatives
- Execute and deliver what we say we are going to deliver
 - ➔ On time, within budget, and a quality product



Accomplishments Since November 2007

- Approved reorganization
- Approved proceeding with investigation of HOV to HOT
- Approved proceeding with planning the commuter rail Lovejoy line and the MMPT
- Participation in freight and logistics study
- New state aid program approved
- Reviewing options for PPIs
- Examining financial and debt management strategies
- Approved GARVEE bond issuance
- Approving GO bond sale
- Continuous participation at ARC



Board Priorities

- **Statewide Strategic Transportation Plan**
 - First Action Required: Create a committee to support this effort – **Complete**
- **Examination of sustainable funding source**
 - First Action Required: Change of name to the PPI committee to alternative financing/funding and change focus of committee to examination of all possible financial resources- **Complete**
- **Project and Program Delivery**
 - First Action Required: Continued work through program delivery committee on project prioritization- **Ongoing**



Monitor Report Recommendations

1. Reduce Average Project Duration by 15%–20%
2. Fully Integrate and Improve the Business Execution of OEL
3. Manage Spend Better to Reduce Project Costs by 10%–15%
4. Improve Human Asset Management Capability
5. Clarify Roles and Responsibilities of the Board and the Commissioner
6. Upgrade the Performance Measurement System
7. Establish a Process and Framework for Developing a Financially Constrained Statewide Transportation Plan



Monitor Report Detailed Recommendations - Immediate

- 27 Immediate measures- Too many initiatives for an organization to undertake
 - Measure and manage projects end to end
 - Improve conformance of local governments projects
 - Increase use of design/build
 - Build a “speed” culture
 - Improve understanding and collaboration with OEL and other agency partners
 - Increase number of correct submissions from OEL
 - Improve environmental processing and execution performance
 - Eliminate the loss of environmental documents
 - Track and measure performance
 - Improve relationship with FHWA
 - Implement actions to reduce project duration
 - Improve invoicing process
 - Improve letting process
 - Review and manage regulatory implications of cost improvements



Monitor Report Detailed Recommendations - Immediate

- Identify “must haves” among capability improvements in 2005 CMC study
- Increase monetary compensation in key areas
- Review and manage legal implications of human resources activities
- Continue to expand non-monetary compensation
- Expand top-led mentoring programs
- Succession planning
- Reduce key silos between departments
- Clarify decision rights (**Board**)
- Prepare and adopt description of Board and Staff roles (**Board**)
- Allow District managers to move resources from one position to another
- Expand interactive communications with external private parties
- Further develop IT performance measurement systems
- Obtain buy-in for executive level performance system



Monitor Report Detailed Recommendations – 12 mos.

- 33 one year measures- Too many initiatives for an organization to undertake
 - Upgrade project management staff / activities
 - Differentiate processes for different sized projects
 - Monitor progress in Utilities process
 - Overlap preconstruction process steps
 - Work with stakeholders to increase program “lock down”
 - Improve ROW acquisition process
 - Carefully and selectively push the envelope to increase speed
 - Move OEL HQ to the GO
 - Collocate some OEL staff at District offices
 - Increase staff and implement actions to reduce turnover
 - Reduce Categorical Exclusion (CE) processing time
 - Implement cost efficiency best practices of other DOTs



Monitor Report Detailed Recommendations – 12 mos.

- Revamp business approach to become “business partner of choice” and get more bids
- Study and learn from how some other states do relatively better on materials costs
- Implement trial asset management contract
- Reassess recruitment and hiring process
- Provide compensation package options
- Continually evaluate potential areas of improvement
- Create professional and management tracks for employees
- Increase district authorization limits for supplementals to \$300K–\$500K
- Review procurement process for local decision makers
- Review local contract management
- Improve process by which access permits are granted to developers



Monitor Report Detailed Recommendations – 12 mos.

- Enhance stakeholder understanding of GDOT processes
- Integrate performance measurement tracking databases
- Utilize “Executive Dashboard” to drive towards performance improvements
- Design processes to ensure measurement and accuracy of data and link to process improvement efforts
- Rollout employee training to optimize metrics driven performance management
- Develop and implement methodology for prioritizing projects
- Improve internal coordination among planning functions at GDOT
- Formalize/improve relationship with stakeholders and clarify expectations
- Improve working relationship with the ARC
- Create an all-parties ad hoc mechanism for agreeing on a financially constrained statewide plan

Which of the 60 initiatives are our priority?

“You can’t build a reputation on what you’re going to do.”

Henry Ford





Staff Priorities

1. Strategic Planning
2. Project Prioritization
3. Financial Planning and Reporting
4. Reorganization
5. Building partnerships with our sister transportation agencies
6. Other Projects of Note

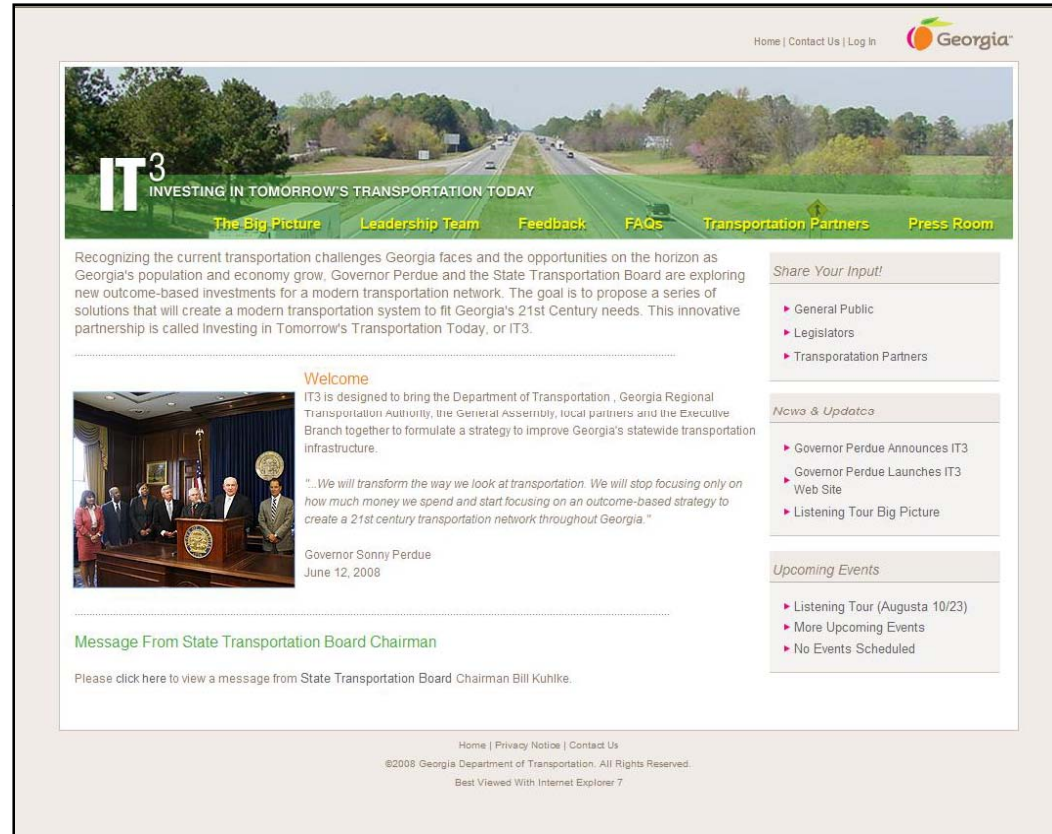


1. Strategic Planning

Investing in Tomorrow's Transportation Today (IT³)

Investing in Tomorrow's Transportation Today (IT³) is an effort by Governor Perdue and the State Transportation Board, to create the strategies needed to make sure Georgia's transportation network gets people and freight where they need to be, when they want to go and when they need to be there.

Delivering
Wednesday, November
19, 2008



The screenshot shows the homepage of the IT³ website. At the top right, there are links for "Home | Contact Us | Log In" and the Georgia state logo. The main header features a large image of a highway with the text "IT³ INVESTING IN TOMORROW'S TRANSPORTATION TODAY" overlaid. Below this is a navigation menu with links: "The Big Picture", "Leadership Team", "Feedback", "FAQs", "Transportation Partners", and "Press Room".

The main content area includes a paragraph: "Recognizing the current transportation challenges Georgia faces and the opportunities on the horizon as Georgia's population and economy grow, Governor Perdue and the State Transportation Board are exploring new outcome-based investments for a modern transportation network. The goal is to propose a series of solutions that will create a modern transportation system to fit Georgia's 21st Century needs. This innovative partnership is called Investing in Tomorrow's Transportation Today, or IT³."

Below this is a "Welcome" section with a photo of Governor Sonny Perdue and the State Transportation Board. The text reads: "IT³ is designed to bring the Department of Transportation, Georgia Regional Transportation Authority, the General Assembly, local partners and the Executive Branch together to formulate a strategy to improve Georgia's statewide transportation infrastructure." A quote follows: "...We will transform the way we look at transportation. We will stop focusing only on how much money we spend and start focusing on an outcome-based strategy to create a 21st century transportation network throughout Georgia." The date is listed as "Governor Sonny Perdue June 12, 2008".

There is a "Message From State Transportation Board Chairman" section with a link: "Please click here to view a message from State Transportation Board Chairman Bill Kuhike."

On the right side, there are three sidebar sections: "Share Your Input!" with links for "General Public", "Legislators", and "Transportation Partners"; "News & Updates" with links for "Governor Perdue Announces IT³", "Governor Perdue Launches IT³ Web Site", and "Listening Tour Big Picture"; and "Upcoming Events" with links for "Listening Tour (Augusta 10/23)", "More Upcoming Events", and "No Events Scheduled".

At the bottom, there are links for "Home | Privacy Notice | Contact Us" and copyright information: "©2008 Georgia Department of Transportation. All Rights Reserved. Best Viewed With Internet Explorer 7".



2. Project Prioritization

Project Prioritization

- Since February 2008, monthly Board updates on project prioritization
- Business Rules in September
- Finalize GDOT recommendations on FY09 program Friday, November 7, 2008
- Finalize GDOT recommendations on FY10 program Friday, November 20, 2008
- Finalize project list to ARC by December 1, 2008
- Work with ARC on TIP amendment January through July

3. Financial Planning and Reporting



Financial Goals

- Quarterly financial statements to the board and monthly to senior staff – **Finished our first Friday, October 30**
- Real time fund source balances- **Budget Comparison Report**
- Project financial reporting/budgeting – **Phase I Cleanup Underway**
- Incorporation of contingencies into budgets at project and budgetary level- **April 2008**
- Monthly budget compliance reports- **First one complete**
- **Audit Complete**
- **Reorganized accounting**
- **Established Internal Audits- First Internal Audit Report**
- **Advertising for new budget director**



Financial Goals

- 3 phases
 - Hand drawn financial statement
 - Improvements in the Peoplesoft Modules for enhanced usage- projects, incorporating revenue – working with SAO and internal staff
 - Real time financial statements



4. Reorganization



Division of Innovative Finance

- Creation of job description- **Finished and advertised**
- Recruitment of new staff- **Advertised in process of second round and receiving input from RBC**
- Review of peer states and their divisions- **Australia, Spain, Portugal, Texas, Virginia, other info through RBC and McKinsey**



Procurement Division

- Create a separate procurement division- **Complete**
- Finalize procurement org chart and develop job descriptions for key positions- **Complete**
- Streamline GDOT procurement procedures- **In process**
- Resulting in an updated procurement manual- **Requisition to execution by Feb/ March**



Intermodal Division

- Create a new division of intermodal - **Complete**
- Hire division director- **Complete**
- Develop plan on commuter rail line to Lovejoy- **Plan complete**
- Prioritize rail projects statewide in order to successfully compete for bond funding- **Finalized and complete as part of our budget request**



Construction Division

- Revise change order process (supplemental agreements) to improve timely completion- **Complete with weekly reports to senior staff**
- Track and record in order to improve payment process to contractors- **In process**
- Track and record in order to improve processing time for requests for information- **In process**



Preconstruction Division

- Project Management Overhaul
 - Create new Division- Interviewed program manager
 - Develop job descriptions-Complete
 - Hire key positions- First PM class
- Cost Estimating Changes- Continuous update process



Preconstruction Division

- Value Engineering changes
 - Additional 4 VE staff members- **In process**
- ROW audit
 - Complete in August/September- **Finished**
- Surplus Property
 - 3 counties complete- **Extended contract per Board direction**
- OEL Process Improvements
 - Electronic Submission/Tracking Documents- **First submissions completed**



Division of Program Delivery

- Examination of design/build contract as it exists
- Review of other state procedures for d/b
- Incorporation of existing practices of other state agencies
- Preparation of new proposed law to incorporate construction management at risk and update design/build law- **Proposed for approval by STB legislative committee**



Roles and Responsibilities of Commissioner and Board

- Continued support of the administrative committee
- Roll out of first section of bylaws, process and procedures of the STB- **To be rescheduled**
- Consultant options for role definition- **Set up but will be rescheduled**

5. Building relationships with our sister transportation agencies

Statewide Transportation Plan

1.) Collaborate with Our Partners





Building Relationships with other agencies

- MOU between GRTA, ARC, GDOT and MARTA (not on MOU but included)
- **MOU executed between SRTA and GDOT**
- Monthly meetings with Board Chairman, Executive Directors and Commissioners, Senior staff- **Ongoing**
- Senior staff meetings weekly- **Ongoing**
- Partnerships on projects- **HOV to HOT**



Commuter Rail

- Dedicated Funding Source from the lease payments of the CSX Railroad is going to be difficult to do
- Movement of CSX railroad to GDOT will require statutory change- **Proposed legislation**
- Hurdles to proceed are not as simple as presented
 - Platform heights for loading
 - ADA issues with wheelchair lifts
 - Environmental will have to be reexamined
 - Identification of stations has changed- some property has already been bought or sold
 - Etc.



HOV to HOT

- 8 standing committees- check number they combined a few last week
- Procurement of PR firm- **Complete**
- Procurement of GEC Consultant- **Complete**
- Procurement of Tolling Technology Consultants- **Complete**
- Procurement of IV&V vendor - **TBD**



Facility Office

- Create a comprehensive facility plan
 - Prioritize projects to develop a 5 year capital outlay plan
 - Prioritize and consolidate area offices as required by recent Senate resolution
 - Plan has been completed and is in review



Additional Staff Accomplishments

- HR policy changes
- How's my Service
- Talk to me
- New website
- Expansion of senior staff
- Review of Design Standards- 50% complete
- Utility phase of project