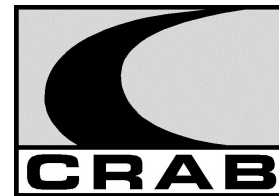


Agency Responses to the JTC Efficiency Study



11/15/2011

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JTC Recommendation	CRAB	FMSIB	H&LP	TIB
1. State policymakers should consider directing additional resources to address maintenance and preservation needs.	The recommendation is supported by the agencies but requires legislative action.			
2. Without new money, state policy makers should consider reallocating some existing resources to address preservation needs.	Recommendation requires legislative action.			
3. Agency boards and staff should use flexibility within existing programs to focus on maintenance and preservation needs.	CRAB has always focused on maintenance and preservation needs with the "County Arterial Preservation Program." The Rural Arterial Program WAC's were revised in early 2010 to allow 2R projects (more preservation-based activities) to compete with 3R and Reconstruction projects on the same array under similar criteria. CRAB will continue to look for innovative options for both programs.	FMSIB statutes prohibit investing funds into "projects that improve overall general mobility with limited enhancement for freight mobility." (RCW 47.06A.020(c)) The Board however has adopted projects that aid in preservation.		For the 2011-2013 biennium, TIB extended its successful pavement preservation grants to 30 additional towns with population over 5,000, but with cumulative assessed property values under \$1 billion. Assessed value is a good measure of local fiscal capacity. TIB will use fund balance to pay for the additional coverage in the current biennium only. Future funding may be included in a new law request in order to make the program extension permanent.
4. Transportation stakeholders should better communicate the importance of maintenance and preservation projects to the public and to decision-makers.	The agencies concur and support such communications			
5. Policy makers should seek to address unmet needs related to short span bridges, high cost bridges, and funding for preventative maintenance through additional federal and state resources.	Some types of bridge projects are eligible for one or more programs; however, the agencies acknowledge a funding gap for short span and high cost bridges. While preventative maintenance is generally an owner responsibility, funding shortfalls are impairing capacity to keep up with repairs just as system age is increasing cost pressure. The agencies also note a funding gap for functionally obsolete bridges, those with structural integrity but lacking width, height, pedestrian access, etc.			
6. CRAB should continue to function as a first-in funder despite the challenges that such a portfolio brings. The agency should continue to develop stronger portfolio and financial management tools to manage cash-flows and fund balance.	CRAB will continue to provide RAP funding for preliminary engineering and right of way activities. A recently added project management tool, "RAP On-Line" has proven to be an excellent way for counties to manage their project schedules and spending as well as a valuable tool for CRAB to manage and track the entire RAP portfolio.	Applies to CRAB	Applies to CRAB	Applies to CRAB

JTC Recommendation	CRAB	FMSIB	H&LP	TIB
7. TIB should evaluate the need for and implications to creating a first-in funding mechanism for cities in its Urban Arterial and Urban Corridor programs.	Applies to TIB	Applies to TIB	Applies to TIB	First-in funding can be defined in a number of ways and it is not clear, specifically, what was intended by this recommendation. TIB funds projects on a life cycle basis, distributing the grant over the design, right-of-way and construction phases. TIB rarely provides design only funding because the projects pose a significant risk of never going to construction.
8. CRAB should work with County engineers to undertake a review of current and future software product offerings and training.	CRAB continues to focus on the technology needs of the 39 counties by offering engineering design software support for several of the popular design systems on the market. CRAB’s Mobility program remains the preeminent roadway inventory system and offers tools for maintenance management and pavement preservation management needs as well. CRAB will continue to look for new opportunities to improve existing products as well as integrate and collaborate with the other agencies.	Applies to CRAB	Applies to CRAB	Applies to CRAB
9. FMSIB and H&LP (for the Safe Routes to School and Pedestrian and Bicycle Safety programs) should be given the ability to finalize their project lists without legislative approval. This would release the funds earlier than currently occurs, speeding project implementation by as much as a construction season and in down cycles could produce lower construction costs.	Applies to FMSIB and H&LP	FMSIB & H&LP agrees with and supports this recommendation. Having the ability, like CRAB and TIB, to manage project cash flow to project needs would allow projects to advance more quickly and provide the ability to assign funding over multiple biennia rather than having to commit full funding for projects that will only use a small portion of the appropriation in a given biennia.	H&LP & FMSIB agrees with and supports this recommendation. Having the ability, like CRAB and TIB, to manage project cash flow to project needs would allow projects to advance more quickly and provide the ability to assign funding over multiple biennia rather than having to commit full funding for projects that will only use a small portion of the appropriation in a given biennia.	Applies to FMSIB and H&LP
10. Opportunities to create a combined quarterly project update should be explored so a jurisdiction with a project funded by multiple funding sources could complete a single update.	CRAB will continue to investigate the possibilities of integration of the “RAP On-Line” program to provide access to a county’s project portfolio, schedules, and spending.	TIB has estimated that there are approximately 6% of projects related to FMSIB and CRAB estimates even less. A joint quarterly milestone report combining data needed seems to be more of a burden for the 94% of projects not reporting to multiple agencies.	Although H&LP requires quarterly project reports, we believe sharing the project status updates with TIB and FMSIB should be formalized. We will establish a regularly scheduled meeting to share project data.	TIB does not require that customers provide a quarterly report. Instead it requires that agencies provide reports at certain milestones during the lifecycle of the project; such as, design, bid, and construction phases. These milestone reports are integral to TIB’s project tracking system and Performance Dashboard. Changing these reports would require a complete re-tooling of these programs. Sharing information would be more efficiently done in a regular project coordination meeting between TIB, H&LP, and FMSIB. Other partners may also need meetings with CRAB, however, TIB has no common projects with CRAB.

JTC Recommendation	CRAB	FMSIB	H&LP	TIB
<p>11. Washington should collaborate with other states to advocate for less onerous project reporting requirements for federally funded projects.</p>	<p>Agency concurs</p>	<p>FMSIB concurs that federal forms are onerous and add time and cost to projects. Legislators and other elected should communicate concerns and request changes directly with the Washington delegation and through their national associations.</p>	<p>WSDOT collaborates with other states through participation in APWA, AASHTO, and WASHTO. Paula Hammond is the chair of the AASHTO Standing Committee on Highways and H&LP's Director is a member of APWA's Reauthorization Task Force and the APWA National Transportation Committee, which gives Washington an excellent opportunity to advocate for changes in project reporting requirements at the national level.</p>	<p>Agency concurs</p>
<p>12. Agencies should actively manage their portfolio of projects. While individual projects may be subject to unforeseeable variances, it is critical that agencies manage predictable aggregate portfolios. Agencies must invest in the staff and tools required for data tracking and reporting (see Recommendation #22). They should establish portfolio management targets (see Recommendation #19) and have the ability to modify program parameters to achieve those targets.</p>	<p>With the slow economy and increased demands on existing funding, counties have struggled to bring some projects to advertisement and construction. Several projects are in the middle of complex right of way acquisition and permitting processes. The recent addition of the "RAP On-Line" portfolio management tool has proven to be an excellent way for counties to manage their project schedules and spending as well as a valuable tool for CRAB to manage and track the entire RAP portfolio. Enhancements to the product are already in progress to improve the reporting capabilities for project tracking and schedule accountability.</p>	<p>FMSIB maintains a six year list of active projects. Longer than six years and it is difficult to hold partnerships together – less than six years and it is difficult to get through permitting, right-of-way and engineering. If projects are not advancing to construction as planned, they are moved to a deferred list until they can assure the board that funding shortfalls and other obstacles have been overcome and a date to begin construction can be established.</p> <p>Performance measures track removal of chokepoints and improvements to freight routes. FMSIB currently lacks sufficient staffing and tools to track data.</p>	<p>H&LP has procedures and tools that allow us to actively manage our portfolio of projects. We have developed a robust, functional capital project management system called SPORT. The system is currently being fully deployed and includes a dashboard function that allows users to perform searches via a web based mapping query</p>	<p>TIB believes it excels at portfolio management. TIB staff uses several tools to manage its portfolio including:</p> <ul style="list-style-type: none"> • The Project Tracking System • The Performance Dashboard • Monthly inventory meetings • Delayed project process
<p>13. CRAB should use enhanced portfolio management tactics to improve project timeliness and manage financial performance based on real time information about project timeliness. If portfolio challenges continue to hinder CRAB's financial management abilities, CRAB should review the status of active projects and encouraging stalled projects to withdraw their request for funding.</p>	<p>As mentioned in Recommendation 12, the recent addition of the "RAP On-Line" portfolio management tool has proven to manage counties project schedules and spending as well providing better information for CRAB to manage and track the entire RAP portfolio.</p> <p>Enhancements to the program are already in progress to improve the reporting capabilities for project tracking and schedule accountability by tracking right of way acquisition processes and environmental/cultural resources permitting progress. This will allow CRAB to make construction funding available to projects that have fulfilled all the prerequisites to advance to construction. CRAB has performed quarterly reviews of active projects and will continue to encourage challenged and/or stalled projects to withdraw their requests for funding in order to allow aggressively scheduled projects to proceed.</p>	<p>Applies to CRAB</p>	<p>Applies to CRAB</p>	<p>Applies to CRAB</p>

JTC Recommendation	CRAB	FMSIB	H&LP	TIB
14. Take legislative action to merge TIB's two accounts (UATA and TIA) to allow for simpler cash management.	Applies to TIB	Applies to TIB	Applies to TIB	The 2011 Legislature took action to implement this recommendation. SSB 5797 merged the UATA and TIA into one account. Combining the two accounts allows TIB more flexibility to fund the best projects by eliminating funding silos that allocated the money into smaller pots. TIB is currently amending WAC rules to implement 5797.
15. Shift responsibility for cash advances of federal emergency funds from CRAB to WSDOT and target freed-up funds to immediate county preservation needs.	CRAB has discussed this issue with Highways and Local Programs and will continue to work toward a solution for emergency response. CRAB has requested counties aggressively move projects to construction. In response, counties have advanced more projects to construction and the "freed up" funds, previously held in reserve by CRAB for emergency cash advances, have been expended.	Applies to CRAB and H&LP	H&LP has discussed this issue with CRAB and will continue to work toward a solution for emergency response. CRAB has requested counties aggressively move projects to construction. In response, counties have advanced more projects to construction and the "freed up" funds, previously held in reserve by CRAB for emergency cash advances, have been expended.	Applies to CRAB and H&LP
16. The state should continue to track and monitor the agencies' program administration costs relative to their capital budgets to ensure continued efficiency.	Administrative cost is currently tracked. See recommendation #19.	The Legislature can track part of this through the budget process. Tracking administrative cost vs capital budgets however only will track the state funds invested in partnership projects not the full project cost with partner funds. The benefits of having additional financial partners also require additional facilitation, negotiation and brokering to have a true measurement of the increased time commitment of the FMSIB director and staff.	H&LP will continue to track and monitor our administrative costs. See recommendation #19.	Administrative cost is currently tracked. See recommendation #19.

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<p>17. Agencies should link program outcome measures to program objectives and project selection criteria.</p>	<p>CRAB has discussed this issue internally and will continue to work with WSACE and WSAC toward a set of performance measures that can be achieved by the 39 counties with a revised reporting requirement through CRAB or by a reasonable amount of additional reporting, that is established with the consensus of the WSACE members.</p>	<p>Projects are selected based on a 198 point criterion that is targeted to improve the movement of freight on Washington road, rail and waterways. The criterion is supported by the ports, trucking, maritime and railroad partners as a balanced measurement of freight benefits addressing a multimodal system.</p> <p>The projects focus on improving economic vitality but also includes safety, environment & mobility benefits FMSIB reports the removal of chokepoints, grade separations and outreach contacts quarterly to OFM.</p>	<p>H&LP currently does link program outcome measures to program objectives and project selection criteria.</p> <ul style="list-style-type: none"> For safety programs, we make project selections based on a data-driven analysis that focuses on reducing fatal and serious injuries. For our federal bridge program, we make project selections based on a data-driven analysis that focuses on extending the useful life of the bridge and replacing bridges that are no longer cost effective to maintain. For our Safe Routes to School program, we make project selections based on a data-driven analysis that focuses on reducing the number of accidents near schools and that also increases the number of children walking and bicycling to school. 	<p>In 2011, TIB worked to strengthen the link of its programs to the state transportation policy priorities. In response to the Efficiency Study, TIB established a board Visioning Committee to strengthen its strategic direction. The Visioning Committee recommended re-engineering the TIB selection process. The new selection process refines TIB program objectives and more specifically implements state transportation policy priorities. The TIB Dashboard provides many measures including program outcome measures and financial measures. TIB will complete a five-year update to its strategic plan in 2012. Program objectives and outcomes will be further developed in that process.</p>																																								
<p>18. The same set of outcome measures should be tracked consistently over time. Tracking measures over time facilitates comparison across agencies, when appropriate, and provides valuable information to agencies on trends.</p>	<p>The agencies acknowledge some similarities, but also note vast differences in funding sources, congressional and legislative directives and mission. Each track their own measures, some of which are similar. Please refer to the individual agency details in the full reports.</p>																																											
<p>19. Institute a manageable set of internal performance measures consistent across the four agencies related to financial management, portfolio management, and customer service.</p>	<table border="1"> <thead> <tr> <th>MEASURE</th> <th>Data</th> </tr> </thead> <tbody> <tr> <td>Projects in Design</td> <td>81 projects</td> </tr> <tr> <td>Projects in Construction</td> <td>22 projects</td> </tr> <tr> <td>Delayed Projects</td> <td>0 projects</td> </tr> <tr> <td>Percent of Administration</td> <td>1.8%</td> </tr> </tbody> </table>	MEASURE	Data	Projects in Design	81 projects	Projects in Construction	22 projects	Delayed Projects	0 projects	Percent of Administration	1.8%	<table border="1"> <thead> <tr> <th>MEASURE</th> <th>Data</th> </tr> </thead> <tbody> <tr> <td>Projects in Design</td> <td>28 projects</td> </tr> <tr> <td>Projects in Construction</td> <td>6 projects</td> </tr> <tr> <td>Delayed Projects</td> <td>4 Projects</td> </tr> <tr> <td>Percent of Administration</td> <td>0.6 %</td> </tr> </tbody> </table>	MEASURE	Data	Projects in Design	28 projects	Projects in Construction	6 projects	Delayed Projects	4 Projects	Percent of Administration	0.6 %	<table border="1"> <thead> <tr> <th>MEASURE</th> <th>Data</th> </tr> </thead> <tbody> <tr> <td>Projects in Design</td> <td>480 projects</td> </tr> <tr> <td>Projects in Construction</td> <td>570 projects</td> </tr> <tr> <td>Delayed Projects</td> <td>0 Projects</td> </tr> <tr> <td>Percent of Administration</td> <td>1.9 %</td> </tr> </tbody> </table>	MEASURE	Data	Projects in Design	480 projects	Projects in Construction	570 projects	Delayed Projects	0 Projects	Percent of Administration	1.9 %	<table border="1"> <thead> <tr> <th>MEASURE</th> <th>Data</th> </tr> </thead> <tbody> <tr> <td>Projects in Design</td> <td>97 projects</td> </tr> <tr> <td>Projects in Construction</td> <td>162projects</td> </tr> <tr> <td>Delayed Projects</td> <td>14 Projects</td> </tr> <tr> <td>Percent of Administration</td> <td>1.3 %</td> </tr> </tbody> </table>	MEASURE	Data	Projects in Design	97 projects	Projects in Construction	162projects	Delayed Projects	14 Projects	Percent of Administration	1.3 %
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<p>20. Agencies should ensure that their reports and briefings tell the full story, reminding decision makers of their distinctive roles, how these roles create specific benefits and challenges, and an annotated description of current contributions and challenges.</p>	<p>Investigating new and innovative options for communicating the contributions and challenges of CRAB and county road departments will remain a primary function of the CRAB Annual Report. CRAB has discussed this issue internally and will continue to focus on the efforts of the 39 counties, as well as highlighting specific areas of interest each year in the Annual Report. CRAB will continue to look for new opportunities to improve existing reports as well as integrate and collaborate with the other agencies.</p>	<p>The House and Senate have provided FMSIB with an opportunity to describe the agency's work every odd numbered year and an update on agency activities every even numbered year. In addition, the Agency reports its activities and the trends in freight movement to the legislature through its Annual Report</p>	<p>Agency-wide performance reporting is a high priority at WSDOT. We strive to be a high performance organization credible and accountable to the Governor, Legislature, taxpayers, and transportation delivery partners across the state. The Gray Notebook anchors WSDOT's management philosophy and is the basis for external performance reporting.</p>	<p>The Executive Director can use the JTC Efficiency study as a reference for new lawmakers. It is a good tool to show how the agencies are different and how TIB has a specific role in funding urban and small city projects.</p>																																								

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<p>21. Briefings with decision makers and staff should augment written reports, and particular effort should be taken to develop relationships with new policy makers and their staff as turnover occurs.</p>	<p>In the past, CRAB has relied upon the statutory requirement of an annual report to the legislature in order to communicate program activity and effectiveness. In today's information age in which data are more and more required in real time, CRAB continues to improve the reporting capabilities of our portfolio management system, "RAP On-Line", to better inform policy makers and provide quarterly program activity reports to the legislative transportation committees. These reports will be augmented by periodic briefings of the members of the transportation committee and committee staff.</p>	<p>The Freight Board Members meet with new legislators, transportation committee members and their own legislators annually to explain what FMSIB does, the mission and freight program needs. In January 2011, Board members met with 31 legislators (14 Senators & 17 House members).</p>	<p>H&LP meets with OFM and legislative staff quarterly to bring them up to date with current federal transportation legislation. Also, H&LP regularly meets with city, county, state and federal decision-makers who are involved with the management and oversight of transportation project issues at all levels. Contact with new congressional, state and local policy makers and their staff is a routine part of our everyday business activity.</p>	<p>The executive director provides reports and information to legislators, policy makers, and key staff on a regular basis. Keeping stakeholders informed is a high priority for the executive director, which helps maintain excellent working relationships.</p>
<p>22. CRAB, FMSIB, and H&LP should identify ways to use their websites to communicate more timely information about project and portfolio status to support transparency and encourage timely project advancement. Agencies should adopt a "Dashboard-lite" approach rather than recreating the full extent of the TIB Performance Management Dashboard. Agencies should collaborate and consider models and partnerships with other agencies that manage grant and loan portfolios.</p>	<p>As mentioned in Recommendation 12, the "RAP On-Line" portfolio management tool is proven to assist counties manage their project schedules and spending as well as providing better information for CRAB to manage and track the entire RAP portfolio. The enhancements, already in progress to improve the reporting capabilities for project tracking and schedule accountability, will track right of way acquisition processes and environmental/cultural resources permitting progress and will bring more timely and reliable information to the counties and CRAB. This will allow CRAB to make construction funding available to projects that have fulfilled all the prerequisites to advance to construction.</p> <p>As with the performance measures issue, finding common grant and loan portfolio measures may be difficult, given the differing missions and funding laws governing the programs. However, efforts continue to identify areas of commonality.</p>	<p>FMSIB has a list of all active projects on its website. By clicking on the individual project name a quarterly report comes up for review. The report includes progress updates on engineering, permitting, right-of way acquisition and construction.</p>	<p>The development of a new web-enabled capital project tracking system for projects funded through H&LP has recently been completed. This application is unique to H&LP's capital project inventory. In developing this application, a dashboard functionality has been included that will allow users to conduct ad hoc queries of our portfolio in January 2012.</p>	<p>Applies to CRAB, FMSIB, and H&LP</p>
<p>23. CRAB, FMSIB, and TIB should develop formal plans for leadership development and succession.</p>	<p>CRAB has discussed this issue internally and with the CRAB board leadership and members. In the case of an unannounced departure of executive staff, plans are in place for the short-term continuance of agency operations. Board officers are fully briefed on staff tenure issues.</p>	<p>The Board has developed a process to address succession whether it is a planned or unplanned event.</p>	<p>Applies to CRAB, FMSIB, and TIB</p>	<p>As a small agency with weakening revenue, TIB has reduced staff 35 percent since 2004 in response to decreasing workload. Unfortunately, it's impossible to maintain a staffing depth chart under such constrained conditions. TIB has developed a succession plan for each position, but it does not provide an ideal condition of immediate succession.</p>