Cover photo: Construction on Cameron Pass

Section 1: Background on the Standing Committee on Efficiency and Accountability Committee

1.1 Committee History

In 2009, the legislature created the Standing Efficiency and Accountability Committee within section 43-1-106(17), CRS. The Committee was formed as a part of the Funding Advancement for Surface Transportation and Economic Recovery (FASTER) Act to assist CDOT in finding ways "to maximize efficiency of the Department and to allow for increased investment in the transportation system over the short, medium, and long term." Transparency is a key focus for the Colorado Department of Transportation (CDOT) and this report is part of CDOT's efforts to enhance transparency.

1.2 Committee Organization

In the fall of 2009, the CDOT Executive Director, with the concurrence of the Transportation Commission, appointed 16 members to the Standing Committee on Efficiency and Accountability (known throughout this Report as "the Committee"). The appointees include private citizens interested in improving transportation, and CDOT employees dedicated to helping improve the Department. The Committee members have diverse transportation backgrounds and interests such as highway construction, engineering, transit, and environmental.

Since that time, several members have left the Committee and new members have been appointed to continue the important work of the Committee. The private citizen members on the Committee (as of December 20, 2012) are:

- o Maribeth Lewis-Baker, Free Ride Transit System, Breckenridge
- o Jeff Keller, Asphalt Paving Company
- o Daniel Owens, Operating Engineers Union
- o Michael Penny, City of Littleton
- o John C. Rich, Jackson County Commissioner
- o Steve Rudy, DRCOG
- o Bob Sakaguchi, Jacobs Engineering
- o Bill Weidenaar, Regional Transportation District

Mr. Keller serves as the Chair of the Committee; Ms. Lewis-Baker serves as the Deputy Chair.

The current members of the Committee from CDOT are:

- o Heidi Bimmerle, Director, CDOT Division of Human Resources and Administration
- o Louie Barela, CDOT Division of Finance and Accounting
- o Dave Childs, CDOT Division of Highway Maintenance & Operations
- o Barbara Gold, Director, CDOT Division of Audit
- o T.K. Gwin, CDOT Division of Aeronautics

- o   Solomon Haile, CDOT Division of Engineering, Design and Construction
- o   Debra Perkins-Smith, Director, CDOT Division of Transportation Development
- o   Gary Vansuch, Director, CDOT Office of Process Improvement

Mr. Vansuch is the Committee's Vice Chair.

The Transportation Commission is represented on the Committee by Commissioner Steve Hofmeister.

The CDOT Office of Process Improvement provides the Committee staff support.

1.3 Committee Governance

The Committee first convened on September 17, 2009. During its first year, the Committee focused on understanding the statutes creating the Committee and reviewing CDOT's budget and other pertinent legislation.   Committee members had to gain an understanding of CDOT operations and then develop a structure for how the Committee would study different areas of concern.

During 2011, the Committee met once each month other than July and the Chair or Transportation Commission representative filed regular reports to the Transportation Commission.   The Committee presented recommendations to the Executive Director regarding access plans, access permit fees and other cost recovery, and reporting the budget to the public.

At the conclusion of 2011, the Committee amended its By-laws to established staggered terms of office for the Committee, with half of the terms expiring at the end of each year.

During 2012, the Committee met once each month and the Transportation Commission representative or the Vice Chair filed regular reports to the Transportation Commission.

The CDOT Executive Director is responsible for determining if and how to implement the recommendations from the Committee, and for responding to the Committee and the Legislature on the Committee's activities.

This is the third annual legislative report on the Committee's activities.

1.4 History of the establishment of the work of the Committee

In 2010, the Committee compiled more than 60 transportation efficiency and accountability issues for review.   Those issues were grouped into eight general categories:
- Accountability
- Budget
- Contract Administration
- Contract Process
- Environment and Energy
- Partnering

- Staffing
- Planning

The Committee then identified the areas it felt had the greatest risk and impact for the Department. The Committee found that in some of those areas, such as Environment and Energy, CDOT is already using some industry best practices. Also identified were some areas that may not have the biggest impact but Committee members felt these issues could be studied, with efficiencies identified and improvements implemented in a very short time frame.

During 2011, subcommittees that had formed around these general categories focused on specific issues where they believed CDOT could improve its efficiency or accountability to the public. Those subcommittees studied their issues and brought forward to the "Committee of the Whole" recommendations on those issues.

During 2012, the Committee finalized the work of these Subcommittees and pursued issues of interest in two coordinated ways:

1) It requested briefings from CDOT to the Committee of the Whole on certain topics; and
2) It convened Task Forces on some other specific issues, to allow for additional research and analysis outside of Committee sessions for those specific topics.

Section 2: Issues Addressed During 2012

During 2012, the Committee expanded the breadth of the issues that it addressed. Due to this work, the Committee's work fosters accountability, efficiency and transparency for CDOT's operations. Issues of interest included:

- Review of Financial Accountability at CDOT

- Review of Pre-Contract Award Authority

- Review of CDOT Performance Measurement System

- Review of CDOT's efforts to accelerate project delivery

- Review of CDOT's Aeronautics Program

- Review of Workforce Management and Succession Planning at CDOT

- Review of CDOT Regional Boundaries

- Review of Knowledge Management Governance

- Review of Traffic Data Management Systems

- Review of CDOT's water quality initiatives

- Review of environmental initiatives

- Review of CDOT's Contract Improvement Initiative

- Follow-up review of Access Control Plans

- Review of Electronic Bid Plans

Each of these issues is addressed below.

2.1 Review of Financial Accountability at CDOT

The Committee has an ongoing keen interest in Financial Accountability. In 2011, the Committee undertook an in depth analysis of CDOT's budget and found that its format was not easily understood outside CDOT. Coordinating with work of the Executive Director, the Division of Accounting and Finance, and the Office of Government Relations, the Committee delivered a resolution to support a Budget for the Public. This Budget has improved the ability of the public to understand CDOT's finances.

In 2012, the Committee formed its Financial Accountability Task Force to continue its financial-related work. Initially, the Task Force focused on some issues regarding the construction engineering (or, "CE") cost rate issue. The Task Force members are focusing on making it easier for people to understand the components of the CE rate.

At the Committee's August session, Gregg Miller, CDOT's Business Systems Architect, presented and discussed CDOT's new online Financial Database system. This new system was activated on July 1, 2012. The information contained in the database enhances transparency to the public by providing searchable revenue, expense and payroll information on CDOT's external website.

A screenshot of an example from the online Financial Database system is provided below:

The Task Force members continue to conduct additional reviews of CDOT's balance sheet and the statement of cash flow. Additionally, the Task Force is tackling issues regarding fixed costs and variable costs.

2.2 Review of Pre-Contract Award Authority

A stakeholder issue from the State's Transit grantees was forwarded to the E&A Committee for review. For many years, CDOT has not allowed transit grantees to place a bus order upon the notification of an

award of grant funding and grantees were required to wait until an executed contract was in place and a "Notice to Proceed" is issued by CDOT, before an order could be submitted to the bus manufacturers.
It was asked why CDOT did not allow a similar practice as the Federal Transit Administration permits. FTA allows for a form of pre-contract authority, whereby a grantee could place their bus order before the grant was circulated and fully executed in the FTA's Transportation Electronic Award Management (TEAM) system.

In essence, the grantee could assume a risk (upon the notification of the award of their direct FTA funding) and place their bus order before the grant was fully executed in TEAM. This practice is called "Pre-Award Authority" in the FTA world, but in simple terms and to make a comparison as to what the transit grantees were requesting from CDOT, it is the authority to procure the equipment for the project before the contract is fully executed and in place.

The transit grantees who received direct grants from the FTA were comfortable with the risk level associated with the practice because there is an average 18-month production timeline before the bus would be delivered. The contracting would most certainly be completed before the bus would arrive and if there was an unforeseen complication and the funding were to fall through, the demand for buses is such that the grantee could easily sell the bus to another transit agency while in the production queue or opt to continue to purchase with 100% local funds. The transit grantees have utilized this process when dealing directly with FTA for many years.

Now that many more of the FTA funding programs will be passed through by the Division of Transit and Rail, transit grantees were concerned about the impacts of losing their ability to get in line as quickly as possible with the bus manufacturer with their bus orders because of CDOT's current business practices.

The cost of transit buses can increase significantly if there are delays between when grantees are notified of their award and the processing of the grant contract. Currently, the average timeline to procure a bus is 18-24 months. The price of a bus, when utilizing a piggyback contract procurement method, is compounded monthly by the Producers Price Index (PPI). So when a grantee is using a 2010 contract option, a monthly PPI factor is added to the contract price to arrive at today's price for the bus. The sooner a grantee places their order; the sooner the price is frozen in time for a bus you will not receive for at least 18 months. In addition to the PPI, the bus manufacturers pass along price increases when there are technology changes. Those increases can be substantial in nature.

To illustrate the business case, in 2012 the State's transit grantees needed to purchase a total of (22) large transit buses. There is an emission control change for buses being manufactured in 2014, so in addition to the PPI for each month a grantee could not place their bus order, the orders also had approximate $30,000 additional added for the technology change for each bus. It is estimated that the delay caused by CDOT's current business practice equated to an additional $700,000 for these (22) buses ordered by the transit grantees in 2012. That dollar range is equivalent to nearly two more buses that could have been purchased with the same available funds. In addition to the financial burden incurred by delaying the order, the people in the localities are impacted by the delay of getting the new bus placed into service.

In 2012, the Committee commissioned a Task Force to pursue issues that impact ordering and purchasing capital transit equipment, such as buses. This Task Force developed a new advanced budgeting process for grants which will make it easier for local agencies to utilize CDOT grants.

Due to the Task Force's initiative, the State Controller has agreed that pre-contract authority is allowed on FTA funded grants and the contract templates already includes the appropriate language, so those grants should be able to proceed. However, that is still not yet allowed for FASTER-funded grants. The Pre-Contract Authority Taskforce will continue to work with the State Controller in 2013 to pursue preliminary approval for advanced budgeting for FASTER grants.

Tom Mauser of the CDOT Division of Transit and Rail briefed the Committee that the advanced budgeting for the FASTER Transit funds is still needed, even with the contracting improvement initiatives that have been undertaken at the Department, because of the timeline associated with when the FASTER grant awards are approved by the Transportation Commission, announced to the transit grantees, and when the contract is finalized for the FASTER Transit funds.

The State Controller has agreed that FASTER Transit grants can be executed prior to the fiscal year of the grants because the FASTER Transit funds are a continuous appropriation, provided the Transportation Commission (TC) approves. As of December 20, 2012, CDOT is working on the specific contract language to provide for this, in order to present a proposal to the Transportation Commission to change CDOT's current business practice for bus procurements.

The Committee supports and recommends this change. It follows the Committee's charge in which to find efficiencies that will allow for dollars to be reinvested into the transportation system.

Tom Mauser is leading effort to finalize this. The Committee will actively monitor the implementation of this effort.

## 2.3 Review of CDOT's Performance Measurement System

At the Committee's February session, Scott Richrath of the Division of Transportation Development (DTD) presented information regarding the performance measure initiative and distributed a draft of the performance measure memorandum. He mentioned that CDOT's Senior Management has elevated four measures from among the 200 indicators that were being tracked. The purpose of this initiative is to enhance the department's performance reporting to the general public. Mr. Richrath stated that CDOT will focus on the following:

- The blended performance of CDOT's Pavements as measured by percentage of lane miles in good/fair condition based on remaining service life and CDOT's Maintenance Levels of Service Program as defined A through F for nine different maintenance program areas.

- The percent of bridge deck area in Good/fair condition based on sufficiency rating, structural deficiency, and functional obsolescence.

- Five year rolling average of fatalities.

- Congestion measured by travel time delays in congested corridors.

Mr. Richrath noted that improved electronic systems are under development for tracking these measures.

At the Committee's September session, Kevin Henry, CDOT Transportation Performance Branch, and Saundra Dowling, Consultant, provided the Committee with an overview and demonstration of these improved electronic systems--the new CDOT Performance Measures website. This tool is available from the CDOT and the OTIS websites and is called "Your CDOT Dollars". It tracks CDOT performance and transportation expenditures. Currently, the website is partially complete and is planned to be fully operational by the end of 2012. Data is currently being inserted manually; however, the goal is to have data automatically updated in real time through SAP. The website will ultimately include such features as: project tracking map for construction projects, budget data for specific projects, the number of

vehicular fatalities and injuries per miles traveled, and calculation of personal travel expenses on an annual basis. A screenshot of a portion of the online website is provided below:
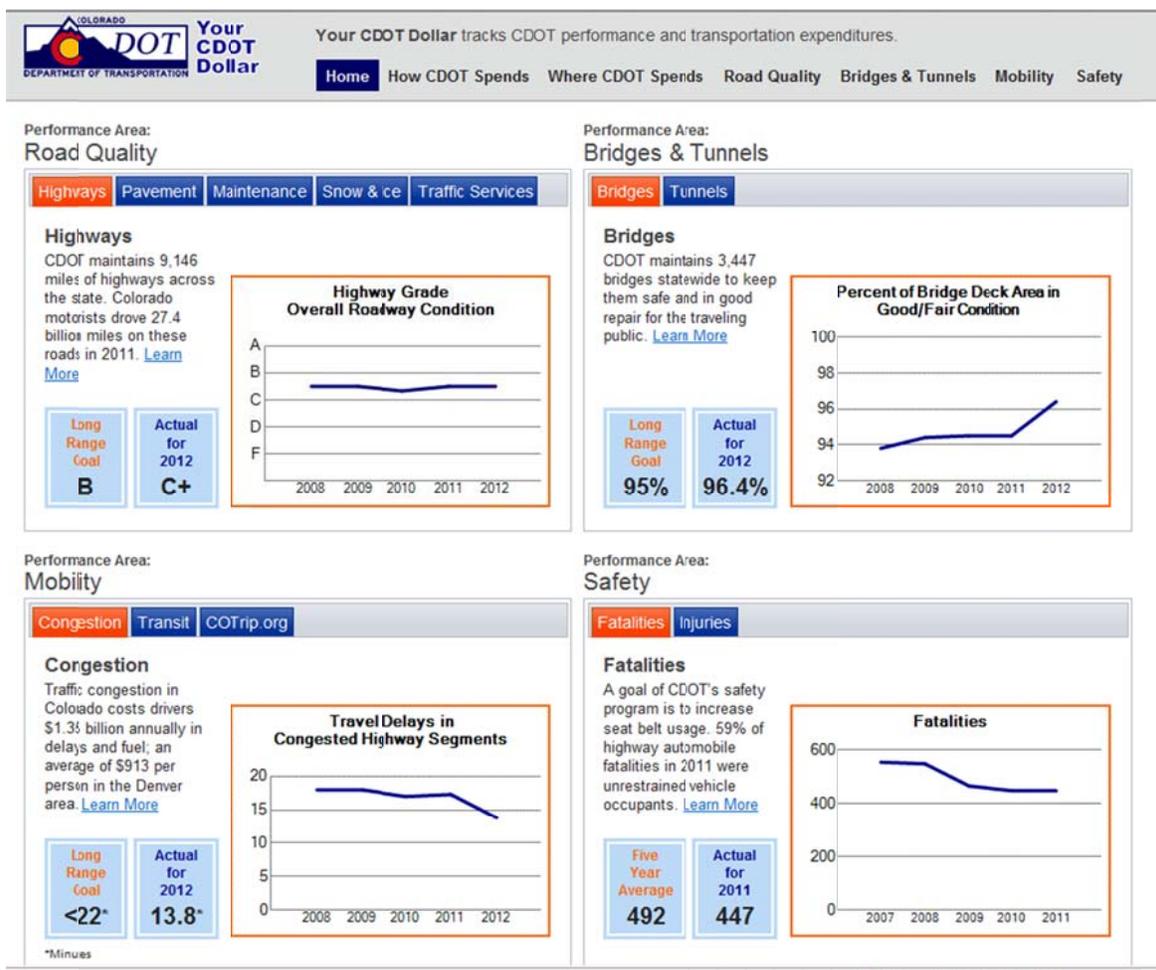
The Committee will continue to monitor progress on this crucial initiative.

2.4 Review of Responsible Acceleration of Maintenance and Partnerships (RAMP) Program

During the September session of the Committee, Tim Harris, CDOT's Chief Engineer, reported to the Committee about CDOT's recently-initiated efforts to accelerate delivery of highway transportation projects. In December, this initiative was officially launched by Governor Hickenlooper and CDOT Executive Director Don Hunt. The Initiative is known officially as the "Responsible Acceleration of Maintenance and Partnerships (RAMP) Program". Mr. Harris returned to address the Committee at its December session regarding details of the rollout of the RAMP Program.

Under this initiative, CDOT will be moving from a budget-based to an expenditure-based management system in an effort to increase efficiency.

Related to the new RAMP Program, CDOT is also forming and Transportation Operations Division. Mr. Harris has provided the Committee with a briefing on this topic. Mr. Harris and other CDOT staff met with North Carolina's Department of Transportation staff to determine how that organization operates and to learn from any mistakes they have made in the past. Mr. Harris and CDOT Executive Director Don Hunt will also met the Virginia DOT to understand their Operations Division. As RAMP becomes operational, it will increase the focus on efficiency, accountability and transparency within CDOT.

The Committee will actively monitor the implementation of these efforts.

2.5 Review of CDOT's Aeronautics Program

At its August session, the Committee conducted its Annual Review of efficiency and accountability the CDOT Aeronautics Program. T.K. Gwin, from the CDOT Aeronautics Division, reported on improvement efforts in the CDOT Division of Aeronautics, including the Web-based Interactive Management System, known by the acronym "WIMS". WIMS is being implemented to improve efficiency and accountability within the division, and utilizes a Commercial Off-the-Shelf (COTS) software system, SalesForce, to aid in simplicity of implementation. A screenshot of the grants page of WIMS is provided below.

The WIMS system could also help improve efficiency within other CDOT divisions, and those Divisions are currently investigating how to utilize the WIMS technology. The Committee will monitor implementation within these other Divisions.

2.6 Review of Workforce Management and Succession Planning at CDOT

The Committee was provided a presentation by Cristina Valencia of the CDOT Human Resources Department during its April 2012 meeting, based on the Committee's interest in the efficiency and effectiveness of CDOT personnel management systems. The presentation included current efforts of the Department related to available training opportunities (such as, those available through CDOT University) and potential opportunities for how workforce planning and succession planning could be implemented at CDOT.

From this review, there were several significant Findings by the Committee:
1. CDOT does not currently have any formal exit interview process.
2. CDOT does not currently have any type of workforce management plan in place.
3. CDOT does not have an inventory or asset management system in place for objectives of its current employees.
4. CDOT does not currently have a performance management system that consistently fosters accountability and career development of its employees. Additionally, there is no metric and associated target that directs managers to foster the potential development of their subordinate employees.

The Committee provided these recommendations formally to the CDOT Executive Director, Don Hunt:
1. The CDOT Executive Director should endorse the concept of Workforce Management and Succession Planning as an important initiative for the Department's future.

2. The CDOT Executive Director should work with the Director of Human Resources and Director of Process Improvement to identify a Champion to develop a Departmental implementation plan for this. We would encourage the Department to thoughtfully consider any potential opportunities that can be achieved as part of the initiative and to implement a meaningful workforce management plan.

3. The CDOT Executive Director should consider the following factors for inclusion in this plan:

   a. A formal exit interview process to obtain data regarding why employees are choosing to leave the Department. This data should be analyzed for trends to assist the Department in improving employee retention.
   b. A workforce management plan that would include career development within the Department and allow employees opportunities to advance their career. The plan should include some type of road map as to what steps an employee would need to accomplish in which to prepare themselves to become qualified for a higher position, not only within their own area but within other areas of the Department as well. The Department has some groups that are further along than others in this type of development path outlining. A transparent development plan should be put in place for the entire Department.
   c. Some form of asset management for the objectives of employees to improve the Department's ability to establish qualified internal applicant pools.
   d. A performance metric and target for supervisors that will help CDOT evaluate the effectiveness of coaching and development of subordinate employees as a performance expectation for managers and supervisors.

    e.   Strategies to encourage cross-training, with the goal of eliminating any potential sole silos for key job functions.

    f.   An evaluation of roadblocks that would prevent employees from advancing within the organization and what CDOT may be able to reasonably do to remove or limit barriers.

4.   The Committee recommends that CDOT gather data from the private sector and other public sector entities that utilize workforce management strategies as part of the due diligence in establishing the Department's workforce management plan.

5.   The Standing Committee on Efficiency and Accountability recognizes that this will be a long-term initiative and project. The Committee would like to monitor the progress of the initiative by receiving periodic updates, as staff feels they would be productive.

The current status of this effort, as of December 20, 2012: CDOT responded positively to these recommendations in November 2012 and the Senior Director of Human Resources provided a presentation about plans to address this at the November 2012 meeting. The Committee will actively monitor the implementation of these recommendations.

2.7 Review of CDOT Regional Boundaries

At its May session, the Committee heard from CDOT's Solomon Haile regarding issues that occur due to differences between Engineering Region physical boundaries and Maintenance Section physical boundaries. The Committee had considerable discussion regarding issues that can be caused by these differences in boundaries.

In October 2012, CDOT announced a proposal to change Regional boundaries. These changes are still being developed as of December 20, 2012; they are due to go into effect on or before June 30, 2013.

The Committee will actively monitor these changes for possible improvements in efficiency and accountability.

2.8 Review of Knowledge Management Governance

At its July session, the Committee heard from William Johnson, CDOT's GIS Data Management Section Manager, regarding the CDOT practices for Knowledge Management Governance and efforts to improve those practices. Knowledge management governance refers to the practices by which an organization like CDOT manages its information, data, and the performance of the important organizational functions. CDOT is pursuing improvements in knowledge management which will yield benefits, including the following:

- It will enable CDOT to compare result of all projects in a consistent manner.

- Increases the ability to track the success of programs in terms of defined goals and objective at the departmental and program level.

- It ensures that organization make better use of their existing system capabilities.

The Committee will actively monitor the implementation of this effort.

2.9 Review of Traffic Data Management Systems

At its October session, the Committee decided to look into the multiple systems used for traffic data management, to determine whether it is worthwhile to look into efforts to merge these systems to improve efficiency and data access. These efforts are ongoing, and the Task Force assigned to this effort will report out in early 2013. CDOT's Solomon Haile is the Leader of this Task Force.

The Committee will actively support the Task Force in its efforts in this area during 2013, and the Task Force led by Mr. Haile will report to the Committee monthly regarding its progress.

2.10 Review of CDOT's Water Quality Initiatives

At its May session, the Committee heard from Jane Hann, the Environmental Programs Branch Manager in the Division of Transportation Development. This stems from the Committee's interest in ensuring that water quality processes are efficient and effective.

She presented information about the efforts regarding the water quality initiative at CDOT. The Clean Water Act was passed because rivers and lakes were becoming alarmingly polluted and wetlands were drying up. The Clean Water Act's purpose is to stop pollutants from being discharged into waterways and to maintain water quality to provide a safe environment for fishing and swimming. Ms. Hann noted that the Colorado Department of Transportation has several programs in place to reduce the amount of poullants being discharge during storms. She mentioned that CDOT has developed trainings to help specific issues and is always looking for ways to improve water efficiency. Ms. Hann noted that the Water Quality Performance Measure addressed issues promptly when identified. Due to the importance of the measure, the CDOT Chief Engineer has adopted it as one of his Chief Engineer Objectives.

The Committee discussed the initiative and decided that no further Committee action was required on this matter.

2.11 Review of CDOT's Environmental Initiatives

At the Committee's January session, one of the members expressed interest in hearing from CDOT staff about efforts to streamline the environmental process (for instance, the Environmental Impact Statement). This member stressed the importance of reducing greenhouse emissions, as well as increasing revenue for transport

At its April session, the Committee heard from Debra Perkins-Smith and Jane Hann, both from the Division of Transportation Development, about the Environmental Impact Statement (EIS) process at CDOT, to help E&A Committee decide whether to form a Task Force (and/or take other action) on some aspect of EIS.

CDOT staff noted that CDOT will support and enhance efforts to protect the environment and quality of life for all of Colorado's citizens in the pursuit of providing the best transportation system and service possible". She asked members of the Committee to voice out their biggest obstacle with the EIS process.

The consensus among Committee members was that the process takes too long.

CDOT staff noted that the new process will set up a framework for considering and incorporating planning documents and decisions from the earliest stages of project planning into the environmental review process. This will lead to a seamless decision making process that will minimize duplication of effort, promote environmental stewardship, and reduce delays. CDOT staff emphasized that there are several initiatives underway to help eliminate waste and shorten the project delivery time.

The Committee will monitor staff efforts to streamline this process.

2.12 Review of CDOT's Contract Improvement Initiative

At its March session, the Committee heard from Tammy Lang, the CDOT project manager, and Cheryl Wright of CDOT, about the Contract Improvement Initiative at CDOT. Over the past two years CDOT has made a number of changes to streamline and improve contracting processes at CDOT. The primary improvements have been consolidating contract writers in procurement, developing contracts templates with the State Controller, and implementing a contract writing module in the SAP computer system.

The Committee was generally pleased with the progress in this area, and decided to take no further action on this topic.

2.13 Follow-up Review of Access Control Plans

At its March session, Scott McDaniel, CDOT Director of Staff Services, provided the Committee with information about funding for access management plans. This is based on a 2011 recommendation from the Committee. The Committee's Planning Subcommittee met several times during 2011 to discuss the potential benefits of developing access control plans (ACPs) for state highway system corridors, and made several recommendations, including:

- CDOT staff develop a schedule for implementing the bullets below and report back to the E & A Committee in December, 2011.

- CDOT staff identify an appropriate annual funding level for development of access control plans taking into consideration system needs and financial resources.

- CDOT staff request Commission allocation of funds in FY 2012 specifically designated for the development of ACPs in high priority corridors.

- CDOT staff develop a methodology for identifying and prioritizing future corridors for the development of access control plans.

- CDOT staff develop educational materials to be used in discussions with local governments to illustrate the benefits of access control plans.

- CDOT staff conduct outreach to local governments along priority corridors to promote the development of ACPs and to determine the level of interest from local governments.

- CDOT investigate the rule making and other processes necessary to change the name from *access control plans* to *access management plans* as that may resonate and be considered more acceptable to local governments.

The Committee had also requested in 2011 that CDOT designate $500,000 in the budget for access management planning. Mr. McDaniel noted CDOT is concerned that, with limited funds, this would put the Commission in a thumbs-up/thumbs-down position on access management. CDOT suggested funding access management planning through the Region traffic engineering budgets. The Committee concurred with this, as long as education and outreach was included.

The Committee will actively monitor the implementation of this effort in 2013.

2.14 Review of Electronic Bid Plans

At the Committee's March session, Joe Mahoney, CDOT Facilities Manager, and representatives from NDOCS, provided a demonstration for the Committee on the electronic bid plans that CDOT will be using in the future. The Missouri Department of Transportation has been using the same system for five years and now has 55 to 60% online sales. The biggest savings is the elimination of the need to send plan revisions by express delivery service.

The Committee was generally pleased with the efficiency gains from this improvement and decided to take no further action on this issue.

Section 3: Ongoing Work

- The Committee is continuing its Pre-Award Authority work with regard to the ability of transit operators to procure buses in advance of CDOT grant awards. Much of this has already been resolved successfully, and the Committee anticipates closing out this work early in 2013.

- CDOT has undertaken a significant Contract Improvement Initiative and concludes calendar year 2012 in midst of additional improvements to SAP's Procurement for Public Sector.

- The Committee is continuing its work to review financial-related matters at CDOT through the Financial Accountability Task Force.

- The Committee is continuing its work to review consolidation and efficiency improvement in certain areas of data collection and analysis through the efforts of the Traffic Data Task Force.

- The Committee reviewed some of CDOT's permitting systems in 2011, and will review progress CDOT has made on improving those permitting systems.

- The Committee will monitor the implementation of RAMP, and continue to assist CDOT in messaging about the shortfall of funding for transportation.

Section 4: Conclusion

Since its inception in late 2009, the Committee's work has assisted CDOT in finding ways "to maximize efficiency of the Department and to allow for increased investment in the transportation system over the short, medium, and long term," as it was directed to do by the legislation which established the Committee.

It has also accelerated improvements through existing CDOT initiatives while creating awareness among CDOT staff regarding the need to incorporate efficiencies into their regular work day. As CDOT responsibility accelerates maintenance and partnerships in 2013 and beyond, maximizing investment in the Colorado statewide transportation system becomes even more important for this Committee and for citizens.

The implementation of operational improvements by CDOT and the monitoring of CDOT's operations through the Performance Measurement System are means for this Committee and the public to ensure that CDOT is utilizing its finite resources in a responsible and accountable fashion. The Committee will continue in its mission to assist CDOT in finding ways "to maximize efficiency of the Department and to allow for increased investment in the transportation system over the short, medium, and long term."

December 20, 2012 photo of the Standing Committee on Efficiency and Accountability. Back row, Left to Right: Gary Vansuch, Committee Vice Chair, Michael Penny; Bill Weidenaar; Jeff Keller, Committee Chair; Daniel Owen; Front row, Left to Right, Anna Ryazantseva, Committee Administrative Aide; Solomon Haile; John Rich; Maribeth Lewis-Baker, Committee Deputy Chair.

Appendix: Identification of High Risk Areas

Some of the areas rated in by the Committee in 2011 to be the highest risk were: Contracting and Procurement, Energy Use, Project Delivery and Environment, and Budget and Finance. These continued to be key areas of focus in 2012; some of the history of these high risk areas is provided below.

1. Contracting and Procurement - Concerns over the timeliness and complexity of contracting were viewed by the Committee members as a major area of concern. CDOT Executive Management agreed with the Committee's identification of contracting and procurement as being high risk activities. An organizational and process consultant with expertise in government procurement was brought in to evaluate the processes for contracting at CDOT. The consultant worked with CDOT to implement changes to reduce and streamline procurement activities. As a result, CDOT is now working with an SAP team to design and deliver an improved procurement and contracting platform. This is a five phase project that will be completed over the next five years, with the first Phase I improvements launched in early 2012.

   These process improvements are being monitored by the Committee, and contracting at CDOT continued to be an area of interest for the Committee in 2012.

2. Project Delivery and Environment – There are many different issues involved in project delivery and environment, and the Committee chose to focus first on implementation of a process called Context Sensitive Solutions (CSS). CSS is used to help move transportation projects forward while addressing concerns of people impacted by the project. In 2010, the Committee's analysis found that CSS is a successful process that brings interested parties together to develop solutions to address project-specific concerns, but CDOT is inconsistent in its application of CSS.

   The Committee then conducted an analysis of Access Control Plans – the plans developed by CDOT and local communities for managing traffic flow resulting from highway improvements, commercial and residential development, and resulting increased traffic flow. The Committee's recommended several key changes in 2011

3. Budget and Finance – The Committee undertook an in depth analysis of CDOT's budget and found that its format was not easily understood outside CDOT. Coordinating with work of the Executive Director, the Division of Accounting and Finance, and the Office of Government Relations, the Committee delivered a resolution to support a Budget for the Public in 2011. That Budget document is now the primary way that CDOT communicates about its budget.

4. Energy – Members of the Committee agreed that CDOT's use of energy was a risk on many different levels, including cost and environmental impact. Light-Emitting Diode (LED) lighting is being used for signals on state highways and is being evaluated for street lights as well. Additionally, the Committee receives periodic updates on an energy audit conducted by a third party, including implementation progress on reducing energy consumption at CDOT properties.