



## MODERNIZE TxDOT: Update for December 2011

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- Project Update: To date, 20 of the 37 modernization projects are underway. Of the projects underway, 13 are progressing through the 5-step methodology and 7 have been identified for close-out by year end. Attached is an overview of all 37 projects with execution status.
- Monthly Project Highlight: An update will be provided on significant ongoing projects. This month, the update will focus on the project to streamline the right-of-way and utilities acquisition process.
- Updated Modernization (Implementation) Plan: By the end of January, the Modernization Plan will be updated to reflect the transition to an agency-wide focus on improvement projects.
- Organizational Changes: A new transitional functional organizational chart has been implemented that aligns core functions to ensure similar services, programs and duties work together as efficiently as possible. The transitional chart names Dee Porter as Chief Modernization Officer. An Office of Organizational Effectiveness has been established to manage the agency's change initiatives, including the modernization effort. A job vacancy notice has been posted for Director of Organizational Effectiveness. The Modernization Leadership Team will continue to guide the modernization effort until the new office is established.

The new chart also includes some new leadership positions with most targeted positions to be filled by year end. Several may be delayed until January.

- Risks: The majority of the risks to the modernization effort remain the same; however, the leadership risk is greatly diminished.
  - change efforts outside the modernization effort
  - rapid pace of execution
  - training and institutionalizing project methodology while executing projects
  - resource availability
- January Commission Workshop: The modernization initiative will be the topic of the January Commission workshop and the following items will be covered:
  - Update on leadership onboarding
  - Updated Modernization (Implementation) Plan
  - Update on key projects
    - Policy, Rule, and Manual Review
    - Streamline Right-of-Way and Utility Acquisition Process
    - Streamline Environmental Review Process
    - Establish Project Management Discipline (PMO)
    - Define and Develop Franchise Model

**Status of Modernization Efforts (12-1-11)**

Project ID	Project Name	Execution Status
A07	Improve Performance Management Process	In Flight
A06	Establish Position Management Process	In Flight
CC01	Establish Modernization Vision and Change Governance	In Flight
CC04	Establish Project Management Discipline	In Flight
CC10	Admin Leadership Actions	In Flight
IT02	Improve IT Operations and Development Policies and Processes	In Flight
IT03	Improve IT Governance Processes	In Flight
DO02	Standardize Construction and Maintenance Definitions and Processes	In Flight
DO03	Rollout Streamlined Environmental Review Process	In Flight
DO04	Streamline Right of Way Acquisition and Utility Accommodation Process	In Flight
A03	Centralize and Improve HUB and DBE Functions	In Flight
A04	Establish Office of Compliance	In Flight
A08	Assess Engineering Workforce	In Flight
CC08	Assess Activity-Based Cost Methodology	In Flight - Abbreviated Discipline
F03	Establish Innovative Finance Function	In Flight - Abbreviated Discipline
F04	Engage External Transportation Finance Expertise	In Flight - Abbreviated Discipline
F05	Improve Inter-District Lending Tracking	In Flight - Abbreviated Discipline
TP02	Establish Transportation Planning Think Tank	In Flight - Abbreviated Discipline
TP05	Standardize and Adopt Best Practices and Governance Across Major Metropolitan Areas	In Flight - Abbreviated Discipline
A09	Improve Position Title Classification Process	In Flight - Abbreviated Discipline
A01	Separate Government Relations and Communications Functions	Not Started
CC06	Standardize Procurement Processes and Governance	Not Started
CC07	Improve Procurement Administration Systems	Not Started
CC09	Establish Leadership / Org Development Function	Not Started
F02	Improve Financial Policies and Processes	Not Started
F06	Implement Integrated Financial System	Not Started
TP01	Establish Integrated Transportation Planning Process	Not Started
TP03	Establish Statewide Transportation Project Prioritization and Planning Process	Not Started
TP04	Increase Development of Rural Planning Organizations	Not Started
DO01	Service Delivery Strategy	On Hold
A02	Establish Communications Center of Excellence	Pending Start
CC02	Establish a Future-State Vision, Goals, and Objectives	Pending Start
CC03	Establish a Business Architecture Practice and Model	Pending Start
F01	Establish Financial Management Center of Excellence	Pending Start
IT01	Establish IT Center of Excellence	Pending Start
TP06	Assess Potential Role for Assistant Chief Operating Officer (ACOO) for Transportation Vision and Planning.	Pending Start
A05	Improve Workforce Planning Process	Pending Start

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## Modernization Effort Update

**Texas Transportation Commission Meeting  
December 15, 2011**

Modernization Leadership Team



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## Overview

- ▶ Project Update
- ▶ Project Highlight – ROW Streamlining
- ▶ Organizational Changes
- ▶ Plan Risks
- ▶ January Workshop



## Project Update

- ▶ 20 of 37 modernization projects underway
- ▶ Ongoing projects (20):
  - 13 projects moving through the 5-step methodology
  - 7 projects to be closed out by end of the year



## Project Update

### Projects

### Implementation by Dec.

- |  |              |
|--|--------------|
| ▶ Assess Activity-Based Cost Methodology           | ✓            |
| ▶ Establish Innovative Finance Function            | ✓            |
| ▶ Engage External Transportation Finance Expertise | ✓            |
| ▶ Improve Inter-District Lending Tracking          | ✓            |
| ▶ Establish Transportation Think Tank              | ✓            |
| ▶ Improve Position Title Classification Process    | ✓            |
| ▶ Standardize/Adopt Best Practices/Metro Areas     | January 2012 |



## Project Highlight – ROW Streamlining

Recommendation	Benefit Description
Improve the "Pre-project Planning" process for ROW and Utilities	Reduce cycle time by 90+ days; minimize design changes & reduce costs.
Improve the "Appraisal" process by starting the process prior to full project release.	Reduce cycle time by 60-90 days.
Improve the "Negotiation" process by providing more flexibility in negotiations with the property owner.	Reduce cycle time; reduce volume sent to AGs office; reduce % of Eminent Domain cases.
Start Utility relocation activities during the pre-project planning process.	Reduce Utility cycle time.
Establish a concurrent Eminent Domain process for some parcels (similar to North Region IH-35 Pilot project and TTA projects).	Reduce cycle time by 60 days
Establish additional legal expertise in each Region and Division.	Ability to answer legal questions quicker and title work addressed immediately.
Conduct Right-of-Way "open-house" meetings with landowners prior to acquisition. Conduct a "buy-in" meeting with City and/or County officials.	Possible reduction in Eminent Domain cases. Will improve Public Relations in community and improve rapport with property owner.
Start the Relocation process earlier and prepare formal relocation plan. Have the Relo agent and Negotiator attend the initial offer meeting with the property owner.	Reduce cycle time for relocation properties by 2-3 weeks
Conduct Quarterly/Annual meetings with FHWA and Utility Companies to provide periodic updates of complex ROW relocations.	Open, consistent communication with FHWA & Utility Companies.



## Organizational Changes

- ▶ Transitional organizational chart implemented (Nov. 2011)
  - Better aligns core functions to ensure similar services, programs and duties work together efficiently
  - Best use of resources to provide quality customer service
- ▶ Establish office of organization effectiveness
- ▶ New leadership positions to be filled by December 2011



## Plan Risks

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- ▶ Change efforts outside modernization
- ▶ Rapid pace of execution
- ▶ Institutionalizing project methodology while executing projects
- ▶ Resource availability



## January Workshop

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- ▶ Update on status new leadership team
- ▶ Update implementation plan
- ▶ Update on key projects
  - Policy, rule and manual review
  - Streamlining ROW process
  - Streamlining ENV process
  - Establish Project Management Review
  - Define & Develop Franchise Model



## Modernization is ...

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a disciplined approach to implementing change that will deliver:

- an improved leadership model;
- opportunities for innovation; and
- increased collaboration with employees and stakeholders.

As a result, TxDOT will be recognized as a performance-driven organization, a great place to work, and committed to quality customer service.

