Annual Management and Program Analysis Report

Fiscal Year 2021-2022

Department: Louisiana Department of Transportation and Development (DOTD)

Department Head: Name: Shawn D. Wilson, Ph.D.
Title: Secretary

Undersecretary (or Equivalent): Name: Barry D. Keeling
Title: Undersecretary

I. What outstanding accomplishments did your department achieve during the previous fiscal year?

For each accomplishment, please discuss and explain:

A. What was achieved?

Notable Projects
For State FY 21-22, from July 2021 through June 2022, DOTD took bids on 262 projects with a total letting value of $1.567 billion. The Agency received $98 million in federal re-distributed funds in August 2022 which was immediately obligated towards new construction projects.

Notable projects receiving bids and their construction cost:

- LA 1: Leeville to Golden Meadow $463,653,152
- I-49 South: Ambassador Caffery/US 90 Interchange $136,521,560
- I-10 Overpass over US 165 & MPRR $75,743,554
- LA 3241: LA 36 to LA 435 $62,565,357
- LA 3241: LA 435 to LA 40/LA 41 $45,964,770
- LA 47: IWGO Bridge Rehabilitation (HBI) $44,772,305
- US 90: LA 14 – LA 83 $30,377,241
- US 190: LA 437 – US 190 BUS (PH 1) $29,953,386
- UPRR Overpass near Bonita (HBI) $23,053,873
- LA 30: South Blvd. – W. Chimes St. $18,246,388
- US 190: Rougon Rd – 0.5 MI W. of LA 978 $15,318,213
- LA 48: Huey P. – LA 49 $14,876,235

- LA 485: Bridges near Allen $13,727,495
- US 90: Des Allemands Br. – LA 52 $10,867,167
- LA 15: LA 131 – US 84 $9,894,787
- US 90: S. Kenner Ave – LA 18 $9,283,549
- I-10 Barriers: Chef Menteur Hwy – I-510 $8,943,003
- LA 17: Gaddis St. – Arkansas State Line $8,245,628
- LA 3139: Dickory Ave. – Orleans P/L $7,750,195
- District 04 Flashing Yellow Arrow Part 2 $7,592,904
- LA 86: LA 3242 – LA 347 $7,542,632
- LA 15: Boeuf River Bridge Repl (HBI) $7,209,167
- LA 68: US 61 – LA 964 $6,988,277

August Redistribution
In FY 22, DOTD successfully identified and assigned the most restrictive funding in the Highway Priority Program and the Statewide Transportation Improvement Program (STIP) in order to ensure the complete authorization of the FFY2021-2022 obligation limitation and to maximize the request for FFY2021-2022 August Redistribution ($97.9 million was received).

Construction Sub-Fund
During the 2022 Regular Session, legislators appropriated $150,000,000 in HB406/ACT167 to be deposited into the Construction Sub-fund to be used on pavement preservation needs throughout the state. In discussions with legislative leadership, it was determined that the amount would be sub-divided by parish using a 60/40 formula. Project selections would be based on individual parish legislative delegation priorities.

Mega Projects Leverage Fund
SB277/ACT505 created the Mega Projects Leverage Fund consisting of four special accounts for the Mississippi River Bridge in Baton Rouge, I-10 Calcasieu Bridge, and I-49 North and South, which deposits shall be capped at forty million dollars each year for each account. The funds are taken from the Vehicle Sales Tax revenues.

Employee Assistance Program (EAP)
On July 1, 2022, the Employee Assistance Program (EAP) became available to all full-time employees at DOTD at no cost to the employee. It offers an array of tools and services to help with problems that might affect their personal or work life, such as marriage and family, stress, legal issues, financial advice, wellness, and so much more. The program also offers hundreds of web-based personal and professional development opportunities.

State as a Model Employer (SAME)
DOTD, as part of the State As a Model Employer (SAME) initiative, has assembled a DOTD SAME Task Force which meets quarterly with internal and external stakeholders to discuss goals, efforts and achievements of the DOTD SAME initiative. Various efforts have been made to improve hiring, recruitment and retention of individuals with disabilities as well as encourage employee participation in the annual SAME survey, including a video message from Secretary Shawn Wilson, which has resulted in a significant increase in agency participation.

Strategic Recruitment Plan
DOTD's strategic recruitment plan includes advertising vacancies through various methods and partnering with other entities to emphasize our commitment to diversity and inclusion. DOTD regularly attends the annual Louisiana Society for Human Resource Management (SHRM) Diversity and Inclusion Summit and entered a partnership with the Louisiana Workforce Commission, Louisiana Rehabilitation Services, Work Based Learning Experience (WBLE) program. We also have an ongoing partnership with the Baton Rouge Community College, Program for Successful Employment which has led to successful student employment in multiple areas of the agency. Most recently, DOTD has engaged in the Franciscan High School Corporate Work Study program which serves students from communities most in need by providing meaningful work experience.

Compliance
DOTD exceeded the Department's DBE Goal in FY 22. The goal was set at 15% and the actual was 15.42%. Also, for the first time in over 10 years, DOTD began updating the ADA Transition Plan to identify ADA deficiencies on our roads, streets, sidewalks and buildings.

Hurricane Ida Response
On August 29, 2021, the Category 4 hurricane smashed into Louisiana near Port Fourchon. With sustained winds of 150 mph, this catastrophic storm was tied with Hurricane Laura in 2020 and the 1856 Last Island hurricane as the strongest on record in Louisiana. In terms of damage and intensity, it was second only to Hurricane Katrina, which hit the state 16 years to the day earlier.

Before landfall, DOTD made its usual preparations for the storm. During and after, the department kept the public advised of highway closures and other critical notices. DOTD crews had all interstates and many other major corridors open within two days after Ida's landfall. As soon as it was safe to do so, assessment teams were in the field to determine damage, and shortly afterward crews were replacing and repairing damaged signs and signals. Approximately 1,500 signals were repaired or replaced.

Additionally, crews began the long and arduous process of clearing debris from state routes in all affected areas, and a debris removal website with daily updates was included on the 511 website. A call center for all debris-related questions was activated in October. Crews have removed 4,207,466 cubic yards of debris.

Creation of Section 52, Weights and Enforcement
Act 384 of the 2021 Regular Legislative Session moved stationary weight enforcement from the Louisiana Department of Public Safety and Corrections (DPS&C) to under DOTD's authority effective July 1, 2022.

Currently there are seventeen (17) static scales plus a virtual weigh in motion. The virtual weigh in motion is located at US 61 SB just south of Mississippi/Louisiana State Line. No enforcement vehicles or equipment were transferred to DOTD from DPS&C. The combination of the short duration for transition, Hurricane Ida's landfall in 2021, and supply chain issues have caused some delays but DOTD has eighteen (18) trucks in the process of being delivered and is working to order

an additional twenty two (22) enforcement vehicles to expand the force. DOTD is working to implement software for issuing tickets, and acquiring bulletproof vests, guns, uniforms, mobile scales and other equipment.

DOTD inherited a staff of 19 civilian employees (no officers) and with additional hires is now up to a staff of 34. Additional staff hires will continue as soon as an adequate supply of equipment and vehicles is available.

Despite being not yet up to full staffing and having limited equipment available to perform the work, DOTD was able to issue 1,805 citations in the first 2 ½ months of operation. This is on pace with the rate of citations issued by DPS&C in FY 2015 and FY 2016, and exceeds their citation rate from FY 2017 through FY 21.

Implementation of Additional Safety Measures (recent 2-3 year timeframe)
DOTD procured an additional 80 Trailer-Mounted Impact Attenuators (TMA's) which help protect our work crews as well as the traveling public and reduce serious injury and death. More DOTD crews are able to deploy this important safety devices when accomplishing their daily activities.

DOTD also implemented high visibility safety uniforms for mandatory use by employees regularly working on or near the roadway (replaced the use of safety vests for many DOTD staff), and began a transition to an enhanced safety warning light layout on DOTD vehicles, switching from amber/red to green/amber and installing additional supplemental lighting on vehicles. A guideline document was developed to standardize these installations.

Aviation
The Office of Multimodal Commerce - Aviation Division executed 82 grants for airport improvement and development projects in FY22. The Federal Aviation Administration funded $146.8 million of projects through the Airport Improvement Program. The remaining funding was invested from the state aviation appropriation, in the amount of $26.7 million. The total amount invested in the state aviation system for infrastructure and development in FY22 was just over $173.5 million.

Ports
The Port Construction and Development Priority Program completed construction on nineteen projects in FY 22. These projects had total costs of $46 million and construction costs of $33.8 million with the State/Port Program providing $29.2 million in funding. It is estimated that these projects created/retained 600 jobs and will produce $287 million in benefits over the life of projects.

Railroads
The Louisiana Legislature passed Act 222 of 2019 creating the Short Line Railroad Infrastructure Improvement Program. The Freight & Passenger Rail Section is now working to develop program procedures and identify potential projects. Capital Outlay funds have been authorized for the initial projects identified under this program. The program procedures and projects will be presented to the Joint Committee on Transportation in the spring. Two projects have been identified and work started in Fall 2022. The Federal Railroad Administration (FRA) and gulf

coast states represented by the Southern Rail Commission continue to negotiate with the CSX railroad and Amtrak to restore passenger service between New Orleans and Mobile as the first phase of restoring service to Orlando, Florida. Motions have been filed with the Surface Transportation Board. The FRA and DOTD have mutually agreed to temporarily suspend the current New Orleans Rail Gateway Environmental Study in favor of studying individual projects within the Gateway Program of projects. The first project being studied is the consolidation of two railroad grade crossings on Jefferson Highway in Jefferson Parish near the site of the proposed Ochsner Health Foundation Hospital. The second project is the closure/grade sparation of four rail crossings in Avondale. Other individual projects will be studied as funding becomes available. The Louisiana Statewide Rail Plan update was completed and approved by the FRA. The Plan has been posted on the Rail Section webpage will be updated as part of the Statewide Transportation Plan. The Rail Plan will be completed by Fall 2024.

Commercial Trucking

The Commercial Trucking Director continued to represent the Department of Transportation and Development on the Trucking Research and Education Council as the Secretary's designee. Through participation in the Council's extended outreach to the industry and communities, the mission of the Commercial Trucking Section is being greatly enhanced.

The Director serves on the following committees: Standing Committee on Agriculture and Food Transportation; Subcommittee on Port Digitalizing; Standing Committee on Intermodal Freight Transport; selected as an academic reviewer in the TRB Annual Meeting paper peer; Transportation Research Board Executive Committee to the National Cooperative Highway Research Program Project 08-141 Panel; Guidance for Local Truck Parking Regulations with AASHTO Special Committee on Freight; New Orleans Oversize Vehicles Stakeholder; and Regional Planning Commissions, Freight Roundtable on Block Chain.

The Director rendered departmental positons on Federal Motor Carrier Safety Administration proposed regulation and current regulations including commercial driver's license (CDL), hours of service (HOS), electronic logging device (ELD), emergency declarations, waivers, exemptions and Permits issues. The Director also provided input and editorial comment on the draft final version of the 2020 New Orleans Freight Profile for The Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John, St. Tammany, and Tangipahoa Parishes. The Director consulted and drafted critical parts of HCR62 of the 2021 regular legislative session to request the Louisiana Community and Technical College System create commercial driver training programs to advance training standards and safety.

Waterways

The state match requirement for the Mississippi River Deepening project is $87.5 million. In order to meet this requirement, DOTD secured appropriations in Act 117 of the 2022 Legislative Session comprising $55 million CLOC and $28 million Non-CLOC; additionally, the United Soybean Board is providing a $2 million contribution to be used as State match. As the project extends into the next FY and beyond, the total cost will rise to approximately $262.3 million. Further, the Waterways Section also expended $9,377,128 in funding for the Acadiana to the Gulf of Mexico Access Channel for infrastructure improvements in advance of channel deepening in FY22.

Statewide Topographic Mapping Program

Pursuant to R.S. 48:36, DOTD has established the Statewide Topographic Mapping Program (Program), supported by technical experts from DOTD, the Division of Administration's Office of Technology Services (OTS), other state agencies, local and federal government entities, and private industry. The Program serves to facilitate the interoperability of geospatial data through collaboration of stakeholders from state, local, federal, and private partners. DOTD has continued to leverage the enhanced IT infrastructure built out in the past few years and has contracted with industry-leading consultants to assist the Program with data management, training DOTD employees, and further developing standard operating procedures.

Through its curation and management of the DOTD Open Data portal, the Program continues to deliver access to up-to-date, governed, and authoritative geospatial data sources to Program partners. To date, the Open Data portal has over 100 data sets related to topographic categories such as Transportation, Boundaries, Public Land Survey, and others. Going forward, the Program will continue to identify, vet, and publish more geospatial data sets from systems of record that serve to fill out the topographic map of Louisiana.

The Program has continued to collaborate with internal DOTD Sections, primarily the DOTD Location & Survey, Remote Sensing team and the DOTD GIS Mapping team, to collect, process, and publish wide-area imagery. In addition to the state-wide imagery collected and processed by internal DOTD resources, and in an effort to reduce redundancy, in FY22 the Program also collaborated with several local government entities to leverage imagery collected via local resources while sharing the state-wide imagery collected through Program activities.

The Program has continued to foster the agreement with the United States Geological Survey (USGS) and the United States Department of Agriculture (USDA) to increase the quality of LiDAR data collected in Louisiana. Likewise, the Program has continued to collaborate with the Louisiana Watershed Initiative in the collection and processing of wide-area LiDAR throughout the state. Once collected, processed, and quality controlled, the LiDAR data products provided by the Program will serve to provide the Louisiana Watershed Initiative (LWI) with critical inputs to their ongoing watershed modelling activities. In total, the Program is coordinating and participating in the collection and publication of high quality, wide-area LiDAR data across over 42,000 square miles of the approximate 52,000 square miles within Louisiana's boarders.

Specific LiDAR accomplishments in FY22 include:

- Submitted LiDAR data sets covering approximately 6,200 square miles from an area of interest (AOI) in the northeastern part of the state (i.e. Northeastern AOI) to USGS for review and publication via The National Map.
- Submitted LiDAR data sets covering approximately 3,400 square miles from an area of interest (AOI) in the Florida Parishes area of the state (i.e. Florida Parishes AOI) to USGS for review and publication via The National Map.
- Provided preliminary LiDAR data products from the Northeastern AOI collection to consultants working with the LWI to use in developing watershed models of the area.
- Provided preliminary LiDAR data products from the Florida Parishes AOI collection to consultants working with the LWI to use in developing watershed models of the area.

- Collected and processed LiDAR data from an AOI in the Greater New Orleans area of the state. Submission of data sets covering approximately 2,800 square miles from this AOI is on schedule to be delivered to USGS for review and publication via The National Map in the fall of 2022.

Along with significantly enhancing the quality of geospatial data to eventually fill out the topographic map of Louisiana, this data will be valuable to business uses such as transportation design and planning, watershed modeling, emergency response and damage assessments, and infrastructure management and protection.

B. Why is this success significant?

Transportation infrastructure is essential to society and the economy. The movement of people, goods, and services are enhanced through transportation infrastructure projects.

Louisiana faces a $18.771 billion backlog of unfunded state highway transportation needs that are necessary for public safety, congestion relief, and preservation of the state's existing infrastructure. This $18.771 billion backlog represents a $3.905 billion increase from the backlog number reported last year. The backlog increase is attributed to changes in engineering standards and assessment techniques in addition to unprecedented inflation in the construction marketplace that significantly outpaces the Consumer Price Index.

C. Who benefits and how?

The users of Louisiana's transportation system benefit from improved safety, lower operating costs, and improved mobility. Business and industry benefits from increased productivity and reduced costs. Further economic development opportunities are enhanced with an improved transportation system.

D. How was the accomplishment achieved?

This accomplishment was achieved through the teamwork of everyone involved in the project delivery process – from planning & programming, to environmental documentation & mitigation, to engineering, to construction and ultimately operations and maintenance.

E. Does this accomplishment contribute to the success of your strategic plan?

The Department's strategic plan is used to understand and address the current and future transportation needs of the state. The Department's strategic plan serves as a unique approach to identifying future system needs and provides a method to incorporate them into future transportation decisions and solutions.

F. Does this accomplishment or its methodology represent a Best Management Practice that should be shared with other executive branch departments or agencies?

DOTD's Project Delivery Steering Committee (PDSC) reviews, establishes, approves, and/or

recommends approval of policies, program direction, budget, finance, and measurement that supports project delivery. The Project Finance Subcommittee (PFC) is created within the PDSC. The PFC provides summarized financial departmental and program reports, and provides guidance and direction for the capital outlay program. The subcommittee is the focal point for managing funds and projects associated with the highway capital program.

R.S. 48:229.1 states that each year "the department shall provide the legislature and public with this [Highway Priority] program which shall list projects to be constructed in the ensuing fiscal year in an order of priority …" In addition, pursuant to R.S. 48:230, the Department provides the Legislature "an additional list of projects proposed to be commenced within the ensuing four years which are in various stages of planning and preparation." In compliance with these statutes, the Highway Priority Program identifies the projects that are scheduled for construction letting in the ensuing fiscal year. These are denoted as being in Stage 4. Projects being developed in the other stages are also included in the document. Other priority programs governing ports, airports, and flood control are also specified in state statutes.

II. Is your department five-year strategic plan on time and on target for accomplishment?

- Please provide a brief analysis of the overall status of your strategic progress. **See below.**
- Where are you making significant progress? **See below.**
- Where are you experiencing a significant lack of progress? **See below.**
- Has your department revised its strategic plan to build on your successes and address shortfalls?

  ☒ Yes. If so, what adjustments have been made and how will they address the situation? **See below.**
  ☐ No. If not, why not?

- How does your department ensure that your strategic plan is coordinated throughout the organizational and management levels of the department, regularly reviewed and updated, and utilized for management decision-making and resource allocation? **See below.**

DOTD continually works toward producing effective Strategic Planning tactics through education and coaching for a more strategically driven and performance-managed operation. The Goals and Objectives were validated and revised by holding sessions with all Program Heads and Executive Staff.

DOTD tracks internal objectives through a scorecard system refined to its current state. A process has been created for DOTD's designated users to create a scorecard and update monthly performance measurements for a given scorecard at both the section and division level. In addition, the portal provides a number of views and reports to support internal reporting needs.

Strategic Planning

DOTD's Vision, Mission, Values, and Goals are:

Vision
Deliver a safe and reliable infrastructure system that enhances mobility, economic opportunity, and public confidence.
Mission
Innovatively develop and sustain safe and reliable infrastructure comprising highways, multimodal transportation assets, micro-mobility systems, and public works.
Values
Dedication to Public Service
Devotion to meeting the needs of the people of Louisiana, in a professional and cooperative manner
Inclusion
Valuing the perspectives and contributions of people from diverse backgrounds, and striving to incorporate the needs and viewpoints of all communities within the State of Louisiana
Integrity
An ethical character incorporating honesty, straightforwardness, and transparency
Value
The degree of excellence by which an individual, object, or project meets or exceeds requirements
Efficiency
Leveraging all available resources across DOTD in order to maximize successful project outcomes
Leadership in Transportation
Seeking out and developing innovations in the transportation space, in order to meet evolving needs and seize emerging opportunities
Accountability
Being good stewards of public assets and accepting responsibility for all aspects of our work

Strategic Goals
Provide Quality Customer Service
Enhance Public Confidence
Deliver Critical Infrastructure Improvements
Operate a Safe, Efficient, Equitable Infrastructure System

DOTD's Strategic Objectives, Key Performance Indicators (KPI), Performance Standards and Actual Year-End Results

Objective (Office of the Secretary)	**KPI**	**Target**	**FY 21 Results**	**FY 22 Results**
To sustain administrative expenses at five percent or less of total annual expenditures.	Percent administrative expenses.	5%	2.80%	2.82%
Objective (Office of Management and Finance)	**KPI**	**Target**	**FY 21 Results**	**FY 22 Results**
To deliver better, cleaner, safer and less congested modes of transportation by sustaining a highly skilled workforce at all levels within the Department by maintaining an overall turnover rate at or below the statewide turnover rate.	Turnover rate.	13%	12.82%	13.95%
Objective (Office of Engineering)	**KPI**	**Target**	**FY 21 Results**	**FY 22 Results**
To effectively maintain and improve the Interstate Highway System so that 95% of the system pavement stays in fair or better condition each fiscal year.	Percentage of Interstate Highway System miles in fair or higher.	95%	97%	94%
To effectively maintain and improve the National Highway System so that 85% of the system pavement stays in fair or better condition each fiscal year.	Percentage of National Highway System miles in fair or higher.	85%	91%	86%
To effectively maintain and improve the Statewide Highway System so that 75% of the system pavement stays in fair or better condition each fiscal year.	Percentage of Highways of Statewide Significance miles in fair or higher condition.	75%	95%	93%
To effectively maintain and improve the Regional Highway System so that 60% of the system pavement stays in fair or better condition each fiscal year.	Percentage of Regional Highway System miles in fair or higher condition.	60%	89%	86%

To sustain the condition and safety of Louisiana's On-System (state owned) bridges, as part of the National Highway System, so that deck area of structurally deficient NHS bridges constitutes no more than 10% of the deck area of all the NHS bridges.	Percentage of deck area of all structurally deficient On-System bridges.	10%	7%	6%
To sustain the condition and safety of Louisiana's On-system (state owned) bridges, as part of the Statewide and Regional Highway System, so that deck area of the structurally deficient bridges constitutes not more than 20% of the deck area of all the SHS and RHS bridges.	Percentage of deck area of all structurally deficient On-System bridges.	20%	14%	14%
Objective (Office of Planning)	**KPI**	**Target**	**FY 21 Results**	**FY 22 Results**
Implement an average of 3% of the Louisiana Statewide Transportation Plan each fiscal.	Cumulative percent of elements in the Louisiana Statewide Transportation Plan implemented (completed or fully funded) in current year.	3%	18.2%	3.3%
To achieve at least a 10% reduction in fatal and serious injury crash rates at selected crash locations through the implementation of safety improvement projects each year focused on roadway departure and intersections.	Average percent reduction in crash rates at all safety improvement project.	10%	28%	43%
Maintain 90% or greater of the Interstate Highway System in uncongested conditions each fiscal year.	Percent of the Interstate Highway System in uncongested condition.	90%	99.5%	98.5%
Maintain 90% or greater of the National Highway System (NHS) in uncongested conditions each fiscal year.	Percent of the National Highway System (NHS) in uncongested condition.	90%	83.1%	89%

Objective (Operations)	KPI	Target	FY 21 Results	FY 22 Results
To ensure safety by performing all required on-system bridge inspections for each fiscal year.	Percent of required on-system bridge inspections performed.	100%	100%	100%
To ensure safety by performing all required off-system bridge inspections for each fiscal year.	Percent of required off-system bridge inspections performed.	100%	100%	100%
Objective (Office of Multimodal Commerce)	**KPI**	**Target**	**FY 21 Results**	**FY 22 Results**
To administer the State's maritime infrastructure development activities to ensure that Louisiana maintains its top position in maritime commerce as measured by the total foreign and domestic cargo tonnage, by investing in port and harbor infrastructure that will return to the state at least five times the state's investment in benefits.	Return on state's investment (for each dollar of state investment).	$5	$7.16	$6.5
To improve the Port Construction and Development Program performance at all active public port facilities by continually enhancing the infrastructure development.	Percent of evaluations conducted annually.	100%	N/A	100%
Objective (Aviation)	**KPI**	**Target**	**FY 21 Results**	**FY 22 Results**
Enhance the Airport Construction and Development Program concentrating on improvement to aviation safety related infrastructure for public airports to ensure 75%	Percent of public use airport runways above state minimum condition expectations	75%	N/A	72%
Improve the Airport Construction and Development Program performance at public-use airports by continually enhancing the safety of operations and infrastructure development through airport sponsor performance evaluations and technical assistance service engagements.	Percentage of Public-Use Airport Engagements	100%	N/A	100%

III. What significant department management or operational problems or issues exist? What corrective actions (if any) do you recommend?

A. Problem/Issue Description
1. What is the nature of the problem or issue? **See Below**
2. Is the problem or issue affecting the progress of your strategic plan? (See Section II above.) **See Below**
3. What organizational unit in the department is experiencing the problem or issue? **See Below**
4. Who else is affected by the problem? (For example: internal or external customers and other stakeholders.) **See Below**
5. How long has the problem or issue existed? **See Below**
6. What are the causes of the problem or issue? How do you know? **See Below**
7. What are the consequences, including impacts on performance, of failure to resolve the problem or issue? **See Below**

Flat Revenue Stream and Increased Costs
The main source of revenue for DOTD is the excise tax on gasoline and diesel. This tax was implemented over 30 years ago and was not indexed for inflation. The 16 cents tax on gasoline is worth less than 7 cents today accounting for inflation. Meanwhile, the demand on the state's transportation infrastructure has risen due to increased travel. In addition to the 16 cents per gallon, an additional 4 cent tax was passed in 1989 to fund the TIMED program and is obligated to bonded debt service. Over the next 25 years, approximately 1 to almost 2½ cents of the 16 cents will be used annually for debt service on the TIMED bonds. In FY 22 $17 million of this revenue was required as supplemental funding for TIMED bonds; this amount is expected to rise to $51.6 million by FY 30 and $76.9 million by FY40.

Unfunded Project Needs
DOTD has received additional funds over the last several years: $1.8 billion from state surpluses (2007, 2008, 2009, 2019, 2020, 2021, and 2022); $445 million from the Federal Stimulus Program (2009); and a considerable amount of funding through the state capital outlay program. Over the past eleven Federal Fiscal Years (FFY 11-FFY 22) DOTD has received $579.5 million in additional federal funds from the U.S. Department of Transportation, including $97.8 million in FFY 22 alone. These funds are distributed to states that are successful in obligating their full federal highway funding allotment during the federal fiscal year. This extra funding was used to increase the level of projects in the state; however, due to ever-escalating needs to maintain the system, the overall funding need has increased from approximately $12.1 billion in 2011 to more than $14.3 billion. Additionally, multimodal transportation consisting of ports and waterways, airports, rail, bicycle and pedestrian routes, and public transit shows an estimated $19.9 billion (statewide plan) need over the next 30 years. Over the past 5 years, FFY 17 – FFY 22, DOTD has applied for and received over $241 million in discretionary grants to fund specific projects and in FFY 21 an additional $174 million in COVID Relief (CRRSA) funds were allocated to DOTD. CRRSA funds can be used on, but not limited to, highways, bridges, and ferries to perform routine and preventive maintenance, rehabilitation, and overlays on new and existing roadway throughout the state.

B. Corrective Actions

1. Does the problem or issue identified above require a corrective action by your department?

   ☐ No. If not, skip questions 2-5 below.
   ☒ Yes. If so, complete questions 2-5 below. **See below**

2. What corrective actions do you recommend to alleviate or resolve the problem or issue? **See below**

3. Has this recommendation been made in previous management and program analysis reports? If so, for how long (how many annual reports)? **See below**
4. Are corrective actions underway? **See below**
5. Do corrective actions carry a cost? **See below**

   ☐ No. If not, please explain.
   ☒ Yes. If so, what investment is required to resolve the problem or issue? (For example, investment may include allocation of operating or capital resources—people, budget, physical plant and equipment, and supplies.)

Funding Initiatives

During the 2015 Regular Session, several instruments were passed that could potentially create additional revenues to be deposited into the Transportation Trust Fund–Regular (TTF) or to bring about a reallocation of TTF funds away from non-transportation related expenses.

Act 147 provided for conversion of the taxation basis for certain special fuels. The collection method of the special fuels tax for motor vehicles that operate on state highways using liquefied natural gas, liquefied petroleum gas or compressed natural gas was changed from a decal to a per-gallon equivalent. These vehicles previously paid either a flat fee or mileage-based fee, statutorily defined tax for special decals on an annual basis depending on the type and weight of the vehicle. As the previous system largely relied on self-reporting, it likely resulted in less tax revenue collections than would occur under a system that collects taxes based on the actual volumes consumed. Additionally, Act 147 reduced the discount for timely filing and remittance of motor fuels tax from 1.5% to 0.5% and reduced the allowable discount for fuel delivered to a purchaser from 1% to 0.33%. These discount reductions resulted in a fuels tax revenue increase of approximately $6 million to the TTF that began in FY 16.

Act 380 placed into statute additional provisions regarding the 20% constitutionally allowable distribution of TTF dollars collectively for the Port Priority Program, the Parish Transportation Fund, the Statewide Flood Control Program and the Office of State Police (OSP) for traffic control purposes, specifically that such funds shall be limited to 20% of all monies deposited into the TTF, including but not limited to state generated tax monies, fees, penalties, and interest earnings. Historically, the only funds considered against the 20% cap were those generated specifically by state tax revenues. Act 380 additionally restricts the appropriation of TTF to LSP by stipulating the maximum amounts that can be appropriated to $45 million in FY 16, $20 million in FY 17 and

$10 million in FY 18 and thereafter. It should be noted that as of FY 17, LSP no longer receives TTF. Act 720 of the 2018 Regular Session provided for a constitutional amendment that would strike the language allowing TTF to be spent on the Office of State Police. Voters approved this amendment on November 6, 2018. Ports received an additional investment of $20 million each fiscal year, and the Statewide Flood Control Program received an additional investment of $10 million in FY 19 and FY 20.

Acts 473 and 465 renamed the Budget Stabilization Fund to the Budget and Transportation Stabilization Trust Fund; provides for the deposit of excess mineral revenues into this fund and for the related distribution of revenues into sub-funds for Budget Stabilization and Transportation Stabilization with specified restrictions on the use of those funds. These Acts required a Constitutional Amendment that was not approved by Louisiana voters.

Acts 257 and 275 were companion instruments to Acts 473 and 465 discussed above. Act 257 increased the base amount of mineral revenues received by the state prior to the annual deposit into the Budget Stabilization Fund by $100 million. Act 275 provided for an allocation to the TTF in an amount equal to the general fund revenues certified by the Revenue Estimating Conference as being attributable to the provisions in Act 257 up to $100 million. As an offset, Act 275 repealed both the general fund trigger and the phase-in of depositing vehicle sales tax to TTF as previously established by Act 11 of 2008 2nd Extraordinary Session. Act 275 provided for the utilization of the newly allocated funds as follows:

- The first $70 million is to be deposited into the TTF for state highway pavement and bridge sustainability projects.
- 93% of the avails remaining after the first $70 million carve-out are to be sub-allocated as follows:
    - 30% into the highway priority program for capacity projects.
    - 25% for port construction and development priority program projects.
    - 45% for state highway pavement and bridge sustainability.
    - The final 7% of the remaining avails after the first $70 million carve-out shall be deposited into the LA State Transportation Infrastructure Fund as per Act 431 of 2015.

Act 275 was projected to generate additional deposits into the TTF of $4.4 million in FY 18, $7.2 million in FY 19 and $9.3 million in FY 20 from excess mineral revenues in the Budget Stabilization Fund based on the estimates adopted by the Revenue Estimating Conference on May 14, 2015; however, these projected revenues have not materialized to date.

During the 2016 Regular Legislative Session, several policy decisions were made to improve Louisiana's multimodal transportation system which included the following:

- Ending Louisiana State Police's (LSP) reliance on the Transportation Trust Fund (TTF).
- Doubling the investment in the Port Priority Program.
- Prioritizing transportation projects in the capital outlay process.
- Enacting legislation to focus Public-Private-Partnership (P3) financing opportunities to critical needs.

Following these actions, Executive Order JBE 2016-23 was issues on June 7, 2016, creating the Governor's Task Force on Transportation Infrastructure Investment. The 18-member task force of leaders from various sectors of the public and private sector were charged with researching, identifying and making specific actionable recommendations to maintain and finance the construction of project outlined in the Louisiana Statewide Transportation Plan. This effort lead to HB 632 of the 2017 Regular Session proposing an additional tax on gasoline, diesel fuels, and special fuels. The proposed law would have imposed an additional tax of $0.17 per net gallon on each type fuel. HB 632 was adopted by the Committee on Ways and Means; however, HB 632 was never brought to a vote by the House of Representatives and failed to become law.

During the 2019 Regular Legislative Session, HB 542 proposed an increase in the motor fuel tax, but the Committee on Ways and Means did not schedule a hearing for the proposal to be considered.

During the 2019 Regular Legislative Session, Act 443 authorized funds not related to Coastal Restoration or Impacts totaling $692.9M over 13 years starting in FY2021 from the BP settlement revenues to be applied to specified projects across the state. DOTD, through its innovative procurement section, has initiated use of the Federal Transportation Infrastructure Finance and Innovation Act (TIFIA) Program. TIFIA provides loans to state government to finance transportation projects in an effort to advance projects that may otherwise be deferred because of funding delays. DOTD has closed TIFIA loans on Act 433 projects including LA 3241 (Segment 2 & 3) and I-49S (Ambassador Caffery Interchange). TIFIA loans for the Cameron ferries, and the Bridge Program are scheduled to close in the 2nd half of FY23.

During the 2021 Regular Legislative Session, ACT 486 provided that beginning in FY 2024, 30% of the avails of taxes from the sale, use, or lease of motor vehicles be deposited into the Construction Subfund of the Transportation Trust Fund. In FY 2025 and thereafter, 60% of the avails of the tax is to be deposited into the subfund. However, this bill also appealed Act 275 and Act 257 enacted during the 2015 Regular Session and discussed above.

The new avails are to be sub-allocated as follows:

- Up to 70% for certain capital construction road and bridge projects
- Not less than 25% for state highway and bridge preservation projects included in the existing highway priority program
- 5% for projects authorized pursuant to the provisions of R.S. 48:224.1

Cost Control and Efficiency Efforts

- Reducing staff – Continued savings in Personal Services costs due to streamlining of authorized positions (T.O). A total of 1,011 authorized T.O. positions have been eliminated since FY 04, reducing staff levels from 5,271 to 4,260 in FY 22. This equates to a cumulative cost savings of more than $132 million. The users of Louisiana's transportation system benefit from this savings, as any savings realized are able to be reinvested into the system. Staffing reductions were attributed to maximizing departmental and statewide efficiencies and consolidations.

- Budget Strategies – Continued focus on maximizing the efficient use of the TTF-Regular in the operating budget. Although TTF-Regular is used as the primary means of financing

salary costs in the operating budget, overall salaries have only grown 90% since 1991. DOTD has been able to minimize the impacts of a 99% rise in inflation (CPI) and a 346% increase in fixed personnel benefit cost (such as health care and retirement contributions) through the reduction of T.O. and operational efficiencies. This is significant because DOTD is continuing to pay existing operating costs without State General Fund support. The public benefits from DOTD's efforts to stabilize the use of TTF-Regular in the operating budget, in that TTF dollars not used in the operating budget are available for use in the capital outlay budget. Beginning in FY 11, DOTD implemented budget development guidelines designed to limit and stabilize the use of TTF in the operating budget in order to maximize TTF available for matching federal transportation funds in the capital outlay budget. Various strategies have been utilized, including: federalizing eligible operating cost, absorbing annual inflationary cost, costing direct services to bond funded projects, identifying efficiencies in district offices, reducing costs associated with the equipment fleet, reducing facility related and vessel hull insurance costs, increasing the use of the self-funded Buy-Back program for heavy movable equipment, and outsourcing certain ferry operations.

Procurement Strategies

- Outsourcing – A significant amount of the work that is done in the 9 Districts such as mowing, litter pickup, guardrail repair, etc. is now being outsourced to local government or contractors.
- Design-Build (DB) contracting method – This procurement method is based on the combination of designing and constructing a project from conception to completion. Utilizing this method has proven to be more cost-effective, more time-efficient and produces a higher quality project than other methods.
- Construction Management at Risk (CMAR) delivery method – This strategy involves working with a Construction Manager (CM) in the design development phase, allowing practical construction experience to be consider when designing the project. Subsequently, the department obtains an independent cost estimate for the project and on that basis negotiates with the CM to deliver the project within a Guaranteed Maximum Price (GMP). Any costs exceeding the GMP that are not agreed change orders are the financial liability of the CM. During the 2015 legislative session, the Department supported a state law allowing the use of CMAR contracting and has worked to develop guidance and procedures for utilizing this method.
- Public Private Partnership (P3) - In 2006 Louisiana R.S. 48:2084 authorizes P3 projects, unsolicited and solicited, by the Louisiana Transportation Authority (LTA). In 2016 Louisiana R.S. 48:250.4 authorized the Department of Transportation and Development (with the approval of the House and Senate Committees on Transportation, Highways, and Public Works) to solicit proposals for public-private partnership projects.
    - 25% of public-private partnership projects undertaken must be outside the boundaries of any metropolitan planning area.
    - Unsolicited proposals must comply with the Statewide Transportation Plan Priority A & B projects.
    - In 2019 HB 567 enacted Louisiana R.S. 48:250.4.1 which extended the toll collection and enforcement authority to any state-owned facility. This allowed DOTD, in conjunction with a private entity through a P3

agreement, to set forth policies and procedures for the collection of tolls, administrative fees, and late charges for any future state-owned toll facilities. Also in 2019 HB 348 re-enacted Louisiana R.S.48:2084.6(D) adding authorization for the comprehensive agreement to contain provisions for the public authority to retain liability for damages arising from personal injury or property damage to third parties occurring on an existing state-owned highway or transportation facility.

- On December 14, 2017, LA DOTD received approval from the necessary legislative committees to solicit the State's first P3 project proposals and enter into contracts for the Belle Chasse Bridge & Tunnel Replacement project. The Notice of Intent (NOI) for the project was published on February 20, 2018.

Ferry Operating Strategies

- DOTD currently operates ferries at three (3) locations at Cameron, Duty, and Plaquemine.
  - DOTD has awarded a contract to construct two (2) new ferry boats for use at the Cameron Ferry Crossing. Delivery of the new boats is anticipated by mid-2025.
    - The propulsion design system is an electric/diesel hybrid which is expected to improve efficiency and fuel economy.
    - The boats will be end-loading vessels in order to load and unload large commercial vehicles. Two boats will be built so that ferry service will continue uninterrupted when one vessel undergoes required dry docking as per U.S. Coast Guard regulations. This will also allow for uninterrupted service to larger trucks which have to detour the 100+ miles when the current backup vessel is placed in service, as it is unable to accommodate larger trucks.
  - DOTD will be working this fiscal year to procure two (2) new truckable work boats to replace the current primary and backup tugboats used in ferry service for the Duty Ferry Crossing.
    - The current primary tugboat (M/V W.F. Foster) was constructed in 1946 and the backup tugboat (M/V Prescott Foster) was constructed in 1947. These tugboats have exceeded their intended service life.
    - Delivery time is expected to be approximately 18 months from date of order.
    - The new workboats are anticipated to improve reliability, as well as increase operational efficiency. Additionally, they are truckable boats which will greatly improve the ability to transport these boats to and from shipyards or other facilities for repair. Presently, to transport the existing tugboats they must traverse through waterways to and from their destination.
    - DOTD completed a project to replace the main engines in the M/V Ascension, which services the Plaquemine Ferry Crossing, in June of this year. The new engines along with other related vessel repairs & modifications are anticipated to extend the useful service life of

the vessel by approximately 15 years as well as reducing greenhouse gas emissions.

- Act 273 of 2013 authorized DOTD to enter into a cooperative agreement with New Orleans Regional Transit Authority (NORTA) for ferry operations in New Orleans and to establish the New Orleans Ferry Fund to contribute to the ferry operating budget. The agreement requires minimum service levels on the Chalmette/Lower Algiers line and affords NORTA the right, but not the obligation, to operate ferry service at either Canal Street/Algiers Point or Canal Street/Gretna. NORTA is currently operating service at only Chalmette/Lower Algiers and Canal Street/Algiers Point.
    - DOTD contributes $4,000,000 in TTF annually as operating subsidy for this service.
    - The New Orleans Ferry Fund expired June 30, 2018 and was reenacted as Act 163 of 2019. This fund originally provided for an additional $700,000 in operating subsidy through this agreement until it expired in 2018. Once renewed in 2019, the amount increased to $1,140,000 annually.

Rightsizing the Highway System

The Road Transfer Program has been established as the means to right size the State Highway System to a core network of 12,000 miles or less. When the program started the state owned 16,685 miles of road (27.31% of all roads in the state), and ranked 10th in percentage of state owned roads compared to other states. DOTD has identified approximately 5,000 miles of low volume, local roads on the state system to transfer to local government. The Program provides for DOTD to repair the roads prior to transfer. Additionally, the participating local governments will be credited for 40 years of routine and capital maintenance, which can be applied to any highway capital project(s). The Program may be appealing to those parishes and municipalities that have the capacity for additional day-to-day road maintenance but lack the resources for capital improvements. Over the last ten years beginning in 2012, DOTD has transferred 202.64 miles of state routes, with binding agreements to transfer a further 170.89 miles once the conditions of the agreement have been met, and 105.13 miles of inquiries but no signed agreement.

Disposal of Excess Real Estate

In FFY 22, (October 1, 2021 thru September 30, 2022), DOTD sold 9 excess properties by Act of Sale, transferred 47 road segments to various local governing authorities and abandoned 2 right-of-way servitudes for a total of 58 disposals. The sold excess properties returned $184,137 to a mixture of state and federal funds. The Office of State Lands (OSL) is still in possession of the Harvey PE Office and Burtville Maintenance Unit properties and they have not been approved for disposal. The Harvey PE Office site must be legally partitioned/surveyed and approved by the New Orleans Planning Commission before it can be taken before the Legislature to seek approval for disposal. Of note, during this same time period, the Property Management Unit of DOTD researched and answered an average of 50 Public Records Requests (PRR) for right of way information per month.

Critical Projects Section

DOTD Office of Engineering addressed shortcomings in project management identified in previous efficiency studies and created the Critical Projects Section. This new section focuses on DOTDs most complex and sensitive projects and is staffed by the most elite of DOTDs project managers. This new section not only puts a focus on the area of project management, but also creates a dedicated field with skill specific advancement opportunities for project managers within the agency.

IV. How does your department identify, analyze, and resolve management issues and evaluate program efficiency and effectiveness?

A. Check all that apply. Add comments to explain each methodology utilized.

- ☒ Internal audit – **See Section II.**
- ☒ External audits (Example: audits by the Office of the Legislative Auditor) – **See Section II.** ☒ Policy, research, planning, and/or quality assurance functions in-house – **See Section II.** ☐ Policy, research, planning, and/or quality assurance functions by contract
- ☐ Program evaluation by in-house staff
- ☐ Program evaluation by contract
- ☒ Performance Progress Reports (Louisiana Performance Accountability System) – **See Section II.** ☒ In-house performance accountability system or process – **See Section II.**
- ☒ Benchmarking for Best Management Practices – **See Section II.**
- ☐ Performance-based contracting (including contract monitoring)
- ☒ Peer review – **See Section II.**
- ☒ Accreditation review – **See Section II.**
- ☒ Customer/stakeholder feedback – **See Section II.**
- ☐ Other (please specify):

Evaluation of DOTD processes and the programs within DOTD have been accomplished using both external and internal resources. The DOTD Audit and Quality Control Section received 529 audit requests during the year, completing 339, citing $1,192,790.57 in unallowable expenses and inventory variances.

In addition to the audits conducted by the DOTD Audit and Quality Control Section and the Legislative Auditor, management has required special "audits" or process reviews in several areas of the Department. These reviews have been accomplished by the DOTD Quality and Continuous Improvement Program through the development of the "as-is" and the "to-be" for the business process being reviewed.

In regards to design and construction contract performance audits, DOTD has internal systems in place that require contractors and consultants to deliver quality work on time and on budget. Upon completion of contracts, evaluations are completed by DOTD personnel and, if necessary, appropriate action is taken.

The Federal Highway Administration (FHWA) regularly reviews the operations of the Department and if issues develop, officials of the FHWA and DOTD meet to discuss and resolve them.

Internal Audit Section
The DOTD Internal Audit Section is a separate unit, independent of Audit and Quality Control Section, and chartered to issue reports directly to the Secretary. Currently, there is one established position, Internal Auditor.

The Internal Audit Section's scope of work encompasses the following:

- Reviewing operations and activities to ensure compliance with those statutes, regulations, policies and procedures that could have a significant impact on the Department's operations.
- Reviewing operations and programs to ascertain whether results are consistent with established objectives and goals and whether the operation and programs are being carried out as planned.
- Reviewing the means of safeguarding assets and, as appropriate, verifying the existence of such assets.
- Appraising the economy and efficiency with which resources are acquired and utilized.
- Monitoring new and major changes to automated and other systems by documenting and reviewing the adequacy of internal controls in place when implemented.
- Establishing audit goals by setting frequency and subject of audits based on Risk Assessment.
- Applying work techniques required to accomplish audit objectives.
- Obtaining an understanding of the program(s) to be audited.
- Performing special reviews and projects, as requested by the Secretary and other Executives.

Operational /Compliance Audit
Safe Routes to Public Places
The scope of our engagement was to identify and document the section's primary responsibilities, objectives, and resources, and to assess the effectiveness and efficiency of specific activities, functions, operations, and compliance with judgmentally selected statutes, policies and guidelines.

Our audit consisted of the following:

- Interviewed of Safe Routes to Public Places personnel
- Prepared a process flow chart of the application review and project section procedures as described by SRTPP personnel to gain an understanding of the processes
- Evaluated the design of the application review process for effectiveness and efficiency

Special Project Review

Review of Road Condition Safety Inspection Process

We randomly selected a sample of twenty-eight (28) or 28.2% of the Parish Maintenance Units, and held conferences with the Parish Maintenance Superintendents and their Administrative Assistants to obtain an understanding of, and to document the processes and procedures used to: a) receive, document, assess, and remediate complaints, b) conduct their biweekly Road Condition Safety Inspections, and c) reduce the amount of debris on the roads.

We requested and reviewed a sample of complaints received, "Work Requests", and "Work Orders" prepared during the months of November and December 2021 and January 2022. We observed each Parish Maintenance Superintendent perform the biweekly Road Condition Safety Inspection. Further, we obtained and reviewed the documents used to record, and report adverse safety ("needed work") issues noted during the inspections. It was determined, in those instances, whether "Work Requests" were prepared and entered into Agile Assets to prioritize " needed work" issues. Finally, we discussed and documented any resources they use to keep their roads and surrounding areas clean.

Audit Review Committee

The purpose of the Audit Review Committee ("ARC") is to provide structured systematic oversight of the Department's governance, risk management, and internal control practices. The committee was established to provide oversight and accountability for all Department audit and investigative findings, and to advise the Secretary on policy matters.

The scope of the ARC is to review and make recommendations to the Secretary through the Chair on the findings of Department audits and investigations. The committee members are responsible for ensuring audit and investigation or investigative recommendations are being addressed appropriately. The committee is not responsible for approving audit responses and/or rebuttals to audit or investigative findings.

The authority of the ARC to perform its work is established within the purpose and scope of the charter and PPM 65. In discharging its responsibilities, the ARC has unrestricted access to members of management, employees, and relevant information it considers necessary to discharge its duties. The ARC reviews any external or internal audit findings in order to help ensure that the underlying issues were corrected and prevent recurring findings on these issues going forward.

B. Did your office complete any management reports or program evaluations during the fiscal year covered by this report?

☐ Yes. Proceed to Section C below.
☒ No Skip Section C below.