

**Colorado Department of Transportation
Efficiency and Accountability Committee**

February 17, 2011 Meeting Minutes

Committee members in attendance:

Heidi Bimmerle, CDOT Division of Human Resources and Administration
Patrick Byrne, CDOT Office of Financial Management & Budget
Dave Childs, CDOT Highway Maintenance & Operations
Cliff Davidson, North Front Range Metropolitan Planning Organization
Jeanne Erickson, CDOT Transportation Commission
Mickey Ferrell, CDOT Government Relations
Jennifer Finch, CDOT Transportation Development
Solomon Haile, CDOT Engineering
Jeff Keller, Asphalt Paving Company
Maribeth Lewis-Baker, Committee Chair; Free Ride Transit System, Breckenridge
Daniel Owens, Operating Engineers Union
Bob Sakaguchi, Jacobs
Casey Tighe, Committee Vice Chair; CDOT Audit Director
Bill Weidenaar, Regional Transportation District

Staff in attendance:

Pam Hutton, Chief Engineer
Sandi Kohrs, DTD Planning and Performance Branch Manager
Samuel Nnuro, CDOT Audit

Welcome and approval of agenda

At 2:10 p.m., Committee Chair Maribeth Lewis-Baker called the meeting to order and approved agenda for the meeting.

Approval of January Minutes

At 2:15 p.m., approval of the minutes for the January meeting was moved and seconded by Jeff Keller.

Introduction to CDOT Executive Director Don Hunt

At 2:20 p.m., Committee Chair Maribeth Lewis-Baker introduced Executive Director Don Hunt. The Committee welcomed the executive director. Each member of the Efficiency and Accountability Committee gave a professional chronicle as an introduction. Executive Director Hunt introduced himself to the Committee. He spoke about the importance of efficiency and how funds that are allocated to CDOT can be used effectively. Executive Director Hunt also noted that we have a Governor who understands the value of transportation. Committee Vice Chair Casey Tighe gave a concise background about how the Accountability and Efficiency Committee came into existence. He said, members of the Committee were appointed by the Executive Director based on State Statute. Members are a blend of CDOT employees and private citizens interested in transportation. Chair Lewis-Baker stated that members of the Committee are still on a learning curve about how CDOT operates and that most outside committee members came to the table with preconceived ideas about what they would contribute. As part of the education process, committee members have learned a lot about CDOT and that the department already is doing many good things on its own. Yes, there is room for improvement and this committee will contribute a lot for both efficiency and accountability. What Chair Lewis-Baker has come to realize is that efficiency is only going to get you so far, at the end of the day there will still be significant budget shortfalls for the transportation system. Bob Sakaguchi also stated that the Committee must do a better job of articulating issues to the public. He said the Committee must focus on job creation at CDOT, snow removal and energy efficiency. Mr. Sakaguchi suggested that the Committee must look into alternative sources of energy and make recommendations to help CDOT improve in these areas.

At 2:30 p.m., Deputy Director Peggy Catlin provided a report to the members of the Committee regarding the CDOT Initiative Ideas Program. She stated that this program was established to encourage employees to submit suggestions that may increase the productivity and service levels of CDOT. If identifiable cost savings are realized the employee that made the suggestion may be eligible to receive 5% of the cost savings, up to \$5,000. The remaining cost savings realized shall be transferred to the State Highway Fund for material costs of road and bridge repairs. Ms. Catlin noted that awards will be distributed to the employee approximately 18 months after the approved idea is implemented. Ideas that result in a cost savings of federal money, public or private grants, gifts awards, or donations are not eligible for employee or Department distribution. Ideas may be automatically denied if the application is incomplete, is duplicative to another application, is based on an audit recommendation, or other published evaluation. Ms. Catlin was excited to report that CDOT does have one employee suggestion in the maintenance area which will be tracked and followed for savings under this program.

Access Permit Fee Report

At 2:40 p.m., Vice Chair Tighe and Dave Childs updated the Committee on access permit fees. Vice Chair Tighe stated that Solomon Haile presented some valid questions that were raised at

his Traffic Engineers' meeting regarding the idea of increasing the access permits fees. One concern is that the business community may view increasing the access permit fee as a non-business friendly approach from CDOT. Mr. Sakaguchi stated the business Community does have legitimate concerns, however the permit issue should be addressed and CDOT must find ways and means to recoup its cost. Jennifer Finch said charging such a low fee devalues CDOT employees who do the work. Commissioner Jeanne Erickson also stated that such a low fees puts the cost on the taxpayers instead of those developers who benefit from the access permit. Cliff Davidson suggested that CDOT should do a pre-application cost approach, so that the developer will be aware of how much it will cost up front in order to secure a permit. Mickey Ferrell stated that CDOT needs to develop a consistent approach to this issue. Dave Childs suggested that CDOT adopt a phase-in approach when it comes to increasing the access permits fees, instead of a big increase all at once. Mr. Sakaguchi stated a specific recommendation should be made to management to come up with a better system to recover costs. Bill Weidenaar said that the recommendation should also ask for CDOT to monitor the cost recovery so that efficiency is not lost. There has to be incentive for CDOT to be efficient with the process. If we recover all costs and charge by the hour, then the consumer may end up paying more for the permit because CDOT does not have incentive for efficiency. We want to recover as much cost as reasonable while maintaining efficiency in the access permit process. Members of the committee agreed that there should be a pre-application fee created. Vice Chair Tighe asked if the members of the Committee want to see a new draft through email or printed copy to next our meeting. Members of the committee agreed to electronic copy via email.

Discussion of Future Topics

At 3:45 p.m., Chair Lewis-Baker asked the committee for future ideas. Members of the Committee came out with various initiatives they would like to tackle on its next meeting. The members of the committee were asked to review a copy of the Governor's Executive Order on energy use by State agencies.

The meeting adjourned at 4:25.

Respectfully submitted by Samuel Nnuro and Scott Richrath, Committee Secretary.

Efficiency and Accountability Committee

Appendix A – Action Plan

#	Who	What	By When	Output	Done
1	Scott Richrath	Identify cost to produce bid plans.	01-21-10	Report	X
2	Casey Tighe	Bring draft Scope of Work for hiring a consultant to conduct an assessment of the procurement and contracting processes.	01-21-10	Document	X
2a	Casey Tighe	Discuss progress of RFP.	03-18-10	Discussion	X
3	Casey Tighe	Have Audit Team gather and report on the cost of generating paper pay stubs.	01-21-10	Presentation or Report	X
4	Affected Committee Members	For those having trouble accessing SharePoint, send Casey Tighe an e-mail.	01-21-10	Enable access	X
5	Scott Richrath	Provide preliminary information on Energy Cost Reduction. Report provided by Joe Mahoney	02-18-10	Report	X
5a	Joe Mahoney	Report back on implementation of print shop efficiency recommendations and Energy Cost Reduction.	10-31-10	Report	X
6	Patrick Byrne	Report on components and impact of Construction Engineer and Indirect rates. (Heather Copp presented.)	03-18-10	Presentation	X
7	Sub-comm.	Investigate the Planning Process and related stakeholder issues.	05-20-10	Report	X
7a	J Finch; M Ferrell	Present recommendations of Project Costs subcommittee to Executive Director George.	09-16-10	Report back to committee	X

8	Sub-comm.	Investigate components of construction engineering and indirect rates and appropriate staffing levels.	05-20-10	Report	X
8a	Scott Richrath	Prepare three recommendations related to project, staff, and meeting costs to the committee of the whole.	06-17-10	Recommend.	X
8b	S Richrath; M Ferrell	Present recommendations of Project Costs subcommittee to Executive Director George.	07-31-10	Report back to committee	X
8c	J Keller; P Byrne	Provide initial report to committee on Fixed-Variable Cost Analysis.	10-31-10	Report to committee	X
8d	J Keller; P Byrne	Provide second report to committee on Fixed-Variable Cost Analysis.	11-30-10	Report to committee	X
8e	J Keller; P Byrne	Deliver final Fixed-Variable Cost Analysis to committee with recommendations.	12-31-10	Report to committee	
9	Sub-comm.	Investigate the procurement process and work with the consultant that will review the CDOT contract process.	05-20-10	Report	X
9a	Casey Tighe	Inquire with Executive Director on inviting non-staff to the procurement analysis project.	06-17-10	Invitation to Bob S.	X
9b	Casey Tighe, Tammy Lang	Present Treya Phase I report to committee.	08-19-10 if available	Report	X
10	J Finch; S Richrath; M Ferrell	Present recommendations of Planning subcommittee to Executive Director George.	09-30-10	Report back to committee	X
11	Staff	Gather performance measures from each division to provide foundation for interview of program managers.	11-18-10	Report back to committee	X
12	Staff	Gather list of employee recommendations for improved efficiency at CDOT.	11-30-10?	Report back to committee	

13	Sub-comm.	Compile CDOT fee schedule, now pending results of 13a.	01-20-11	Report back to committee	
13a	Sub-comm.	Examination of access permit fees.		Report back to committee	X
14	S Richrath; C Tighe	Prepare first annual committee report.	01-20-11	Distribute to committee	X
14a	M Ferrell	Present first annual committee report to Executive Director and Transportation Commission.	01-20-11	Report back to committee	X
15	Sub-comm.	Review of access permit policy.		Report / recommend to committee	