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PEER REVIEW for PUBLIC AGENCIES

Report to:

**Thomas K. Sorel
Commissioner of Transportation
Minnesota Department of Transportation**

**ASCE Peer Review
May 17 - 21, 2010**

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Introduction

The Minnesota Department of Transportation (MnDOT) extended an invitation to the American Society of Civil Engineers (ASCE) to provide a public agency peer review of their organization. ASCE's peer review is a structured process that helps an agency such as MnDOT to improve the management and quality of its services to the public. To accomplish this goal, ASCE selected a team of six individuals who had an appropriate mix of knowledge and experience to address this review—professional engineers whose breadth of management, as well as technical experience, positions them to help other public agencies improve their service. ASCE and MnDOT jointly approved the reviewers who then formed the Peer Review Team (PRT) that would work to identify key issues that the organization currently faces and opportunities to address those issues. The review was carried out on a confidential basis and concluded with a briefing at the end of the site visit. This report summarizes the findings that were reviewed in that briefing.

ASCE and the PRT designed a weeklong review to give the agency a management picture of itself, a snapshot in time, and to respond to specific review needs. The PRT interviewed a cross-section of individual staff members from MnDOT who represented a wide ranging set of responsibilities within the department. They also interviewed staff and officials from partner and/or customer agencies and groups who substantially interact with MnDOT in the execution of their mission and responsibilities. The PRT has identified challenges and opportunities facing the agency, but it does not pose direct solutions to problems. It believes that such solutions will emerge from the organization itself.

ASCE and the PRT customized this review to focus on the direction and the expressed concerns of Commissioner Sorel and his internal steering committee chaired by Project Manager Ginny Crowson. The review primarily resulted from the work of an earlier task force convened to review transportation strategic management and operations. That effort resulted in a set of recommendations expected to “improve efficiency in state transportation construction and maintenance projects and management of state transportation infrastructure.”¹ In response to these recommendations, MnDOT requested a peer review targeted on the primary task force recommendation entitled “Planning and Policy Perspective – Validate Statewide Interests in MnDOT Regional Structure and Allocation Process.”²

^{1,2} Management and Analysis Development, “Transportation Strategic Management and Operations Advisory Task Force Report,” prepared for the Minnesota Departments of Transportation and Administration, 23 January 2009. p. 1.

This review concentrated on issues related to transportation planning and policy, the MnDOT role in achieving statewide policy and planning objectives, and the influence of the current (and historical) MnDOT structure in achieving such objectives. Questions that were raised by the task force in their primary recommendation and were addressed in the peer review include:

- Does the organizational structure still make sense?
- Does the organization function well with the model of central office and districts?
- Have changing demographics, local needs, and an emerging MnDOT mission created a need to rethink district locations?
- Do influences outside MnDOT have an impact on the functioning and organization of MnDOT?

Components of the MnDOT Peer Review

The review performed for MnDOT included the following components:

1. A preliminary assessment
 - a. MnDOT provided extensive advance materials for review, including the task force report previously noted and a white paper prepared by the Center for Transportation Studies – University of Minnesota (CTS) after their peer review of MnDOT project management.³ Other documents provided included annual reports, strategic plans, budgets, organizational structure, and other reports and documents pertinent to the review. A copy of this information was provided directly to each PRT member prior to the site visit, to allow the PRT adequate time for its review, preliminary assessment, and preparation of questions for the on-site interviews.

All documents submitted have been or will be returned to MnDOT or destroyed.
 - b. MnDOT also provided staff input through a written questionnaire that was provided by ASCE. This input was used along with other advance information to help the PRT prepare for in-person interviews.
 - c. The PRT conducted preliminary telephone interviews with key or senior MnDOT staff prior to the site visit.

The PRT's preliminary review and assessment lead to preliminary observations which were discussed with the MnDOT steering committee via several teleconferences prior to the site visit.

³ Center for Transportation Studies – University of Minnesota and CH2M HILL, Inc., "White Paper: Project Management Review", prepared for the Minnesota Department of Transportation, (30 September 2009).

2. An on-site assessment

- a. The team of six peer reviewers spent five working days at the MnDOT central office and the districts interviewing the Commissioner, Deputy Commissioner/Chief Engineer, and MnDOT staff.
- b. The team also interviewed key staff in other Minnesota agencies that have impact on the ability of MnDOT to carry out its mission. These included members of the Division of the Budget and the Metropolitan Planning Organizations Council, key legislators, and others as identified in the preliminary assessment—particularly principal customer groups such as the Area Transportation Partnerships (ATPs), Regional Development Commissions, and Corridor Advocate/Coalition groups.
- c. The PRT met with staff of the CTS during the on-site assessment to gain a better understanding of findings from the CTS project management peer review as they apply to the processes that are the focus of ASCE's peer review.

The PRT conducted confidential interviews with nearly 100 individuals. During the course of the week, the PRT spent a substantial amount of time meeting and discussing what team members were hearing and/or observing. This helped them to develop consistent themes regarding the issues and challenges facing MnDOT.

3. An oral report

The site visit culminated with a closing oral briefing with Commissioner Sorel and other key MnDOT staff, such as several Division Directors, who were included at MnDOT's option. CTS staff were included in this briefing at MnDOT's request as well. During this session, the PRT discussed preliminary findings and associated opportunities observed during the preliminary and on-site reviews.

4. A written report

This report contains a high-level summary of the results of the review. It cites observations, identifies areas for further attention, and includes potential opportunities for MnDOT to explore.

ASCE's reports are confidential and are shared only to the extent that MnDOT chooses to include additional people in the final report or exit briefing. Comments or feedback from MnDOT staff questionnaires and interviews will only be provided in a form that does not associate any information with the specific individuals providing the feedback. Disclosure of the written report may be done by MnDOT, but ASCE will not share the document.

Overview of the MnDOT Peer Review Process

The ASCE peer review process was applied to the primary recommendation of the task force as noted above. The standard components of an ASCE peer review were also included, especially as they applied to the issues associated with the primary task force recommendations. Those standard components include organizational management, project management, technical procedures, human resource management, financial management, and public relations practices, as well as related concerns and special emphasis areas as identified by MnDOT.

To address the strategic questions posed to it, the PRT focused its efforts on the following evaluations:

1. Evaluating adherence to the mission of MnDOT

Readings of the materials supplied in advance and interviews by the team members gave the PRT a working sense of the published mission. The PRT looked at mission specifics and the strength of the core business of MnDOT, i.e. maintaining current infrastructure and planning for growth as well as resource-demanding functions such as snow removal. On-site interviews with organizational executives, divisional leaders and representative staff helped establish whether there was consistency in understanding the mission, the individual's role in MnDOT, and the individual's contribution to MnDOT. The PRT looked for points of convergence and divergence, both between the central office and the districts, and among job types within particular divisions.

2. Assessing the integrity of the current organizational structure

Questions considered included: How well does MnDOT carry out its core business? What changes in the core business have occurred during the past decade? What changes are anticipated for the next decade? Within the organizational structure, how are needed disciplines represented, functioning and being heard?

During PRT interviews with those in management positions and with key people in the state legislature and in the executive branch, they discussed how MnDOT direction is set and perceived and how resource allocation to MnDOT is decided on. They discussed future directions for MnDOT in its core business and in such areas as multi-modal systems and sustainability. Topics included how MnDOT's efforts are perceived internally and externally, concerns about change, and opportunities to make desired changes. One aspect of the discussion involved examining how the tensions created by undergoing organizational changes while continuing to meet the core mission are addressed, and how proposals for an evolving MnDOT are communicated across and within MnDOT and

externally. This part of the review addressed the key task force recommendations of:

- Validation of district and central office structure and
 - The need for and benefits (and costs) of a more centralized focus.
3. Assessing the co-influences of allocation of resources, organizational structure, and organizational mission and tasks

The PRT members reviewed strategic plans, proposed budgets, actual expenditures, and reported performance measures in advance of the visit. Interviews with selected executive personnel at the central office and representative districts and with key legislators focused on issues created by resource allocations, the resource allocation process (who makes decisions, who negotiates between the central office and the districts, who has ultimate control over personnel decisions, what role does Federal and State funding play in decision making for resource allocation), and how allocation decisions are communicated and justified throughout MnDOT. The PRT looked for consistency between the mission of MnDOT, district project goals, and where funds are allocated. Interviews with the district and central office personnel also examined their perceptions of the propensity or reluctance for MnDOT to change, and how anticipated changes influence budget setting, program setting, and resource allocation.

Introduction to Observations

The PRT has condensed its observations into these four principal theme areas:

- Organizational strengths,
- Influences/drivers and challenges facing MnDOT,
- Key opportunities for improvement for MnDOT to consider as an organization, and
- Other items, issues, and questions which MnDOT may wish to reflect on

In-depth internal consultation and analysis by the PRT is an important element of the peer review process. Since this is largely a snapshot in time, there are some issues, challenges, and opportunities for which the team was unable to achieve clarity and/or consensus. However, the PRT felt it important to note and reflect some of those matters to the agency as possibly being of interest for subsequent discussions among involved staff and units with MnDOT. As with all of the findings of the PRT, the agency must determine relevancy and what, if any, follow-up actions are appropriate. ASCE will make no effort to ascertain whether or not MnDOT pursues actions on the issues, opportunities, and challenges outlined herein. Rather, as noted previously, it is our belief and desire that progress and associated solutions will emerge from the agency itself.

Organizational Strengths

The PRT observed the following strengths of MnDOT:

1. Management and Leadership

The overall structure and team is competent and moving in the right direction under Commissioner Sorel's leadership. This is a widely held and shared view on the part of both internal staff and external stakeholders.

2. Clear Mission, Vision, and Values

The PRT observed wide acceptance of and concurrence with the Strategic Vision which has been developed for MnDOT. The "Strategic Directions" and "Flagship Initiatives" programs appropriately emphasize the fundamentals, such as safety, project management, and innovation. The PRT was impressed with the apparent effective inclusion of both bottom-up and top-down approaches in developing and subsequently confirming MnDOT's directions and areas of emphasis.

3. Dedicated and Competent Staff

The PRT was impressed with the competence, cooperative attitude, and dedication to improving service on the part of virtually all MnDOT employees encountered during the review. It is evident that MnDOT employees take great pride in their work and consistently strive to provide quality products and services. Work force morale appears to be good and/or substantially improving at all levels of the organization.

4. Satisfied Public

The PRT observed that the general public is reasonably satisfied with the services provided by MnDOT. This is a shared view across most program areas. Where there are articulated concerns relative to the services being provided, there seems to be an almost universal acknowledgement and attribution that there are associated resource limitations which give rise to gaps in service or unmet service needs.

5. No Serious Deficiencies

Naturally, there are opportunities for improvement as noted in subsequent sections of this report. However, there do not appear to be any serious deficiencies in the processes, policies, and practices related to the areas which were the subject of this review (e.g. mission adherence; organizational structure/integrity; and funding/resource allocation procedures and mechanisms, both across program areas and geographically across the State).

The PRT did not notice or identify any areas of substantive wasteful or inefficient resource allocation. The positive professional attitudes consistently expressed by MnDOT staff reinforce the PRT's confidence in this conclusion.

6. Effective Outreach to Customers and Stakeholders

The essentially "decentralized" approach to public and stakeholder involvement (largely through the districts) also appears to be working reasonably well, as very few of the customers interviewed reflected any particular frustration at being kept uninformed. Although the specific issues of concern vary to some extent between the urban and rural areas of the State (capacity/congestion vs. maintenance, for example), the general feeling seems to be that the existing resource allocation processes are fair. They recognize that the funding is simply not adequate.

7. Outreach to and Communication with Staff

This is an area of strength on the part of the Commissioner and MnDOT's executive team. Staff members at all levels of the organization are kept informed.

8. STIP Process and Target Formulas Are Fair

In spite of obvious resource limitations, the existing process seems to work well. The PRT received almost no expressions of concern relative to the equity of the existing formula(s) and/or related processes. This is true both for Federal aid allocations and for State transportation revenues.

9. Evolving Multi-Modal Emphasis

The PRT found that recent structural changes which emphasize the importance of multi-modal planning across the State are appropriate and well received. The PRT notes that the emerging national emphasis with regard to sustainability, and the wider utilization of alternative transportation modes (tied also to energy efficiency, livability, economic development, and urban reinvestment opportunities) justify strengthening this emphasis within MnDOT. The new "rail group" fits this emerging emphasis. This is not yet pervasive throughout MnDOT, but seems to be gradually moving its way into the culture of greater Minnesota districts.

10. Innovation Valued

The PRT notes that all of the strategic directions (i.e., safety, mobility, innovation, leadership, and transparency) are well placed and meritorious. However, the trend toward pursuing innovation in everything the agency

does is particularly gratifying (from collaboration to project/planning and research). The transportation business is changing and the professionals involved must adapt. Being open to pursuing innovation on everything from systems to financing should be one of the ethics which positions MnDOT to more readily and successfully respond to the changing needs of the citizens.

11. Strong Bridge Program

The relatively new Chapter 152 Trunk Highway Bridge Improvement Program tied to the (also recent) increase in the State fuel tax appears to have resulted in an exceptionally strong bridge replacement and rehabilitation program. Very few states have made commitments to increasing the revenue stream(s) utilized to invest in infrastructure to protect the existing taxpayer investments. The PRT was greatly encouraged by this forward looking action on the part of MnDOT and the legislature.

12. Building Public Trust

Refreshingly, this appears to be an overt consideration in connection with virtually every decision made by MnDOT. The PRT was encouraged to hear about some of the initiatives taken in this regard (e.g., the quality of life focus connected with the next generation of performance measures; the effort to develop an online community of citizens; the internal Stewardship Council; regular performance reporting; the attention paid to work force and/or contractor articulated civil rights issues and concerns; multi-faceted approaches involving both citizens and policy-makers; etc.) This appears to be evolving into a shared value at all levels of the organization.

Influencers/Drivers and Challenges

During the review, the PRT noted a number of factors that may be outside the direct control of MnDOT. Yet, these factors may significantly influence departmental performance. Evaluating these factors may present further opportunities for MnDOT to improve performance and service satisfaction over time. These factors include:

1. Declining Spending Power

Even with the relatively recent increase in the gas tax, the reality is that overall investment in transportation related infrastructure nationwide, not just in Minnesota, has remained essentially flat or diminished. The recent increase, while providing a welcome reprieve, is largely targeted at strengthening one element of the system and serves to only partially offset

the historic effects of inflation coupled with improved fuel efficiency. In short, revenues have simply not kept pace with increasing costs and demands on the system. This could very well become an even more acute concern as citizens rightfully demand and expect a greater multi-modal emphasis and related investment.

2. Large Organization/Geographically Dispersed

The size of MnDOT and the geographical dispersion of its facilities leads to a set of challenges which must be continually addressed. Insuring consistency where appropriate, communicating direction, and soliciting feedback are among these, and constant vigilance is necessary. The PRT did not conclude that the decentralized organization framework is broken or in need of major alteration. However, there are differences between the central office and the districts and there is a corollary need for clearer definition of roles and responsibilities. It is the opinion of the PRT that this may be best achieved through continued and consistent collaborative efforts as a team within MnDOT. This can potentially also lead to improved agreement and consistency with regard to both priority strategic directions and approaches to employing consistent technical standards (e.g. pavement conditions). The planned initiative to better measure performance will serve the department well.

3. Complex Governance

There are many organizations and units of government involved in the business of providing transportation service to the citizens of Minnesota. The decentralized system actually seems to work in favor of developing and maintaining the relationships which are necessary; however, continual vigilance is required. One of the particular challenges might be to work with the coalitions, which are more narrowly focused, to expand and present the larger picture with regard to transporting both citizens and goods (e.g. solicit their cooperation and assistance toward moving in the direction of sustainability). Finding ways to work more closely with the Metropolitan Planning Organizations (MPOs) in the urban areas also presents particular challenges.

4. An Evolving and Changing Transportation Industry

There appears to be an emerging national trend towards strengthening sustainability, livability, urban reinvestment, job creation, and economic development as overt components of transportation systems planning and development. The challenge appears to be finding ways to expand transportation modes and methods without sacrificing the highway programs across the country. The reality is that we need to both protect the existing taxpayer investments while concurrently expanding, enhancing, and improving the system to provide more and greater multi

and alternate mode system opportunities and infrastructure. The PRT is of the opinion that the historic funding systems are inadequate to meet this evolving challenge. Team members were encouraged to learn of the preliminary exploratory work being done by MnDOT relative to developing technology for a future mileage based user fee system for revenue generation.

5. Retaining and Advancing Focus on Building Public Confidence and Trust

The general public (and not just in Minnesota) is presently cynical with regard to how government agencies utilize tax revenue. The PRT was impressed with MnDOT's commitment to transparency in this regard and encourages MnDOT to continue to maintain that transparency.

6. Big Picture Focus

Getting citizens and stakeholders in agreement with regard to evolving trends, areas of emphasis, revenue limitations, etc., is a key challenge. Several stakeholders postulated the possibility that working collaboratively to more clearly articulate a statewide vision that would give the citizens more of a big picture plan might result in a willingness on their part to make a greater investment in multi-modal transportation systems over time. Naturally, such an effort would need to be coupled with even more clearly articulated transparency and accountability systems and would need to heavily involve the business community.

Key Opportunities for Improvement

Although MnDOT has outstanding employees and effective leadership, there are opportunities for improvement, as there are in every organization. A number of these have been touched upon or alluded to in previous sections of this report. The following are specific issues and actions that the PRT suggests could improve the ability of MnDOT to carry out its responsibilities and better serve the citizens of Minnesota.

Key Opportunity 1: Address Resource Gaps Via a Multi-Faceted Approach

Developing new revenue sources or expanding existing ones is extremely difficult. However, exploring new ways to finance infrastructure investment and/or to generate increased revenue is essential if MnDOT and the State are to be positioned for success in the longer term.

The PRT concurs with the concerns expressed by nearly all of the MnDOT staff and many of the stakeholders/partners that there may be a looming crisis relative to the quality of transportation services being provided. The highway revenue shortfall, increasing costs of delivery services, and accelerating

public demand for greater investment in alternate transit modes may be leading to a diminution in the levels of services presently provided. Flat operating budgets, lack of adequate capital investment, population growth, construction and maintenance cost inflation, and aging facilities may combine to cause a reduction in service levels directly affecting the traveling public and the state's economy. Management and efficiency improvements should continue, but parallel efforts to leverage and secure additional funding also seem essential.

The PRT was encouraged to hear about the work being done to explore the potential for a mileage based user fee system. Other related efforts, such as the "Innovative Finance" office are also encouraging, given the potential for greater utilization of Public Private Partnerships for capital investment in the future. Dedicated sales taxes in urban (MPO) areas may be another mechanism worthy of further exploration. Naturally, as efforts to find new ways to finance system improvements or generate additional revenue are pursued over time, the public should be assured that existing revenues are being invested wisely and with concurrent transparency and accountability. One way to do this might be to further pursue a "risk management" or rate of return approach to prioritizing and reporting investment decisions and overall expenditures. The transportation infrastructure represents a public asset worthy of discussion and consideration in all development activities.

Key Opportunity 2: Remain the Primary Transportation Professionals for Minnesota

As the transportation industry changes, it may be increasingly more important for MnDOT to remain the primary source of expertise for all transportation modes in the state. State DOTs that do not successfully succeed in this run the risk of being marginalized as greater emphasis is placed at the national level and within the states on developing other modes, making investment decisions based on sustainability or economic development/job creation, etc. The PRT was pleased to learn about recent efforts to develop a passenger and freight rail plan, to strengthen multi-modal planning, and to establish a Rail Office. These appear to be connected to what is both a visionary and appropriate approach to broadening horizons without neglecting or sacrificing the historic and necessary highway programs.

Key Opportunity 3: Clarify Roles and Responsibilities

ASCE was specifically asked to review the current decentralized organizational and funding structures in an effort to help ascertain whether or not they are optimal for the future. Parallel to this, CTS was asked to conduct a scan of other state DOTs across the country with regard to both the advantages and challenges of centralization vs. decentralization.

The PRT finds that the current structure works reasonably well and is not in need of substantial alteration. However, it also appears that there may be a need to more clearly delineate respective roles and responsibilities. The PRT was pleased to learn of work which has already begun with regard to developing or refining a “Distributed Service Model” that will provide such delineation, and the PRT believes that this work should continue. Defining the necessary core functions that need to become or remain centralized will be important and functions that are to remain decentralized require clear expectations of how authority and accountability will be managed. Authority and responsibility for decentralized functions should be clearly linked to accountability. The PRT recommends that MnDOT clearly articulate which responsibilities are delegated to the districts and which are vested centrally (e.g. specialty areas). At the very least, process and policy matters should generally be addressed and developed centrally using a team approach that emphasizes district staff input.

Key Opportunity 4: Continue Teamwork

Developing a strong and effective internal team, including staff at both the central/division and the district levels can potentially help provide the organizational durability and focus needed to transcend any immediate situations while positioning for the long-term future. Team building may be accomplished either utilizing internal or external facilitation resources, but is unlikely to expand speedily on its own. It could also be productively included as a performance expectation for both central and district managers.

The PRT believes that a fundamental ethic developed around improving service to the public should underlie all MnDOT’s efforts. MnDOT might consider utilizing a team approach to improving all systems, policies, and procedures that need to be updated or changed, and finding ways to complement each others’ roles across all programs.

Key Opportunity 5: Agree on Priorities

The mission, vision, values, and strategic directions which have been developed for MnDOT are well reasoned and appropriate. The associated “Flagship Initiatives” are also all meritorious. However, there may be some advantages in refining the strategic plan to identify a smaller number of the most critical initiatives in order to provide a clearer focus and accountability. Ultimately, it is desirable that the prioritized efforts be those that directly affect the services provided to citizens. The services provided should be measurable in ways most likely to insure success for the organization. A good example of this is the existing “Toward Zero Deaths” initiative.

A collaborative process for clearly setting goals and developing an associated action plan could be used to help provide organizational accountability to

citizens, and could also be incorporated into the performance appraisal process for individuals, units, and teams.

The PRT suggests that MnDOT consider including a more public emphasis on preservation of the existing taxpayer investment and/or investing in ways that more clearly further the economic interests of the State.

The PRT also suggests that a diverse cross-section of MnDOT staff be involved in any specific action plan related to the strategic planning initiatives. Staff participation from the top down and bottom up will increase ownership, buy-in, understanding of the plan, and establishment of priorities and will further the likelihood of success.

Key Opportunity 6: Continue Building Public Trust and Confidence

As previously noted, it appears that considerable progress is being made in this regard. Staff should be encouraged to consciously consider the implications of every action and decision. In some cases, selecting the least cost approach may not lead to the furtherance of overall public confidence. The existing “Context Sensitive Solutions” initiative appears to provide a good example of a program which leverages limited revenue and helps gain public support.

Other efforts such as including quality of life in the next generation of performance measures and developing an online community of citizens to regularly provide feedback to MnDOT on performance and services seem warranted and need to be expanded as opportunity affords.

Key Opportunity 7: Continue Building and Nurturing Internal and External Business Relationships

MnDOT appears to excel in this regard. As previously noted, the largely decentralized organizational framework furthers this objective. Virtually all of the stakeholders interviewed provided positive feedback relative to MnDOT’s efforts to reach out and include them in the processes of resource allocation and decision-making. Such relationships can be utilized to clearly communicate constraints as well as to inform and even educate where necessary.

The PRT notes that the Corridor Coalitions might be one group of stakeholders where more emphasis/effort is needed. Such coalitions, even though typically formed with an initial narrow focus, may be able to help MnDOT to move in strategic directions such as sustainability and multi-modal transportation.

Other Matters To Note

The following issues are presented in the form of questions and consist primarily of topics which surfaced to at least some extent during the review. However, the PRT was unable to arrive at internal consensus on these issues or how to frame them in the form of opportunities. Nevertheless, they seem worthy of mention—areas that MnDOT may wish to consider and reflect upon.

1. Is expertise being lost through attrition of seasoned staff and professionals?
 - Is the agency building future leaders?
 - Is more succession planning needed?
 - Is loss of institutional memory and expertise a cause for concern?
2. Is there a disconnect between planning functions?

This issue principally surfaced in connection with planning in urban areas. For instance, are MPOs making plans without coordinating with MnDOT?
3. Is there a consistent system of prioritizing projects across ATPs and Districts?

Are there substantial differences? Is greater alignment necessary or would it be achieved at the expense of perceived fairness by currently satisfied stakeholders?
4. Is preservation adequately emphasized?

Protecting existing taxpayer investments may need to be more clearly articulated as a priority. The PRT heard about uneven paving conditions across districts. Is standardization of performance measures needed here?
5. Are congestion fixes needed?

What are some affordable solutions? Finding these may require going back to basics in terms of statewide resource allocation (i.e. focus first on maintenance).
6. Is compensation adequate?

This may be an issue with regard to attracting and retaining top level staff. There is a limitation on compensation in state law (tied to the salary of the Governor). Could there be an exception developed for certain professional staff?

7. Is MnDOT ready for the next phase of surface transportation law approaches in the U.S.?

There may be big changes coming, and Congress may direct some funding categories and sources directly to local governments and agencies, rather than to state DOTs.

8. Is there leakage from existing dedicated funding sources?

These could be related to utility relocation costs, paying for loss of business, etc. If so, do these represent significant concern(s)? Are legislative fixes possible?

9. Does the Transportation Program Investment Committee need to transition to a multi-modal focus?

10. Do project scoping processes need to be improved?

Is there a need to obtain approval from the central office earlier in the process to help avoid scope creep?

Summary

The PRT concludes that MnDOT is largely on the right track. The organization is taking the steps that it needs to in order to improve efficiency in state transportation construction and maintenance projects and management of state transportation infrastructure. This finding is shared by both internal staff and external partners and stakeholders. The leadership and management of MnDOT are competent and committed to both excellent public service and the welfare of the organization and its employees.

The peer review process did not reveal any serious deficiencies either organizationally or with respect to the resource allocation processes and procedures. The PRT believes that MnDOT's resources need to be invested in a way that furthers the economic interests of the State and its citizens. This appears to be happening, but MnDOT may wish to consider transitioning to a more overt rate of return approach on both investment decisions and reporting to the citizens.

In Appreciation

In conclusion, the PRT felt that their time at MnDOT was well spent. We were impressed with the management initiatives we saw, the capabilities of staff, and the general hospitality of the community. We hope our efforts will help MnDOT to continue to move ahead. We appreciated the cooperative attitude of everyone

we met during the review. We particularly appreciated the outstanding coordination support provided by Ginny Crowson, the members of the peer review steering committee, and the staff of the Arden Hills Training Center.

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