

California Transportation Agency and Caltrans

# Caltrans Improvement Project

January 2015 Report

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## Caltrans is Leading on Mobility, Safety and Sustainability

In June 2014, we (the California Transportation Agency and Caltrans) took the first step in modernizing Caltrans and restoring the department to be the model for state departments of transportation throughout the county.

We approached this work in collaboration with our staff, partners and stakeholders. We asked what should be changed and they had plenty to tell us: where to improve, how to do things better and what's really important to our state's transportation system. We asked, we listened, and we acted.

Five CIP Workgroups were established with a mandate to focus on specific SSTI recommendations that can help us reset the direction of Caltrans. The Workgroups articulated outcomes and strategies that will result in real progress and a true culture change. They gathered advice and lessons learned from transportation entities around the country facing similar challenges. They also enlisted our partners to join the Workgroups. The result is a robust list of strategies and plans that address each recommendation and will result in real progress.

Many stakeholders and staff ask, "Can Caltrans change?" At a time where we can either choose to lead or become less relevant, the Workgroups were set up to ensure Caltrans remains a national leader in transportation policy for years to come. And change is underway. Caltrans has a new mission, vision, goals and objectives. Transportation investments will now focus first on preservation and operations. Caltrans has endorsed the NACTO guidelines to increase flexibility in design. New performance measures, a new strategic plan, increased partnerships, and performance journalism are coming in 2015. Today, we are committed to achieving real and significant changes to both the operations and culture of Caltrans, changes that will provide Californians with a safe and efficient transportation system created in partnerships with regional stakeholders, changes that produce sustainable transportation systems, livable communities, multimodal choices for Californians, and organizational excellence in our staff. These changes will ensure Caltrans is well positioned to meet California's mobility, safety and sustainability objectives today and well into the future.

In 2014, over 38 million people live in California and many use their own car for transportation. In 2050, California will be home for over 50 million people. Let's agree that our transportation system must include solutions beyond single occupancy vehicles. Caltrans and the CalSTA are preparing today to work with our partners to find those solutions. The Caltrans Improvement Project is only the first step.

We encourage you to review this report to see how we're working to improve, and we invite you to add your comments and suggestions by going to the CIP website, [www.dot.ca.gov/CIP](http://www.dot.ca.gov/CIP) and letting us know what you think.

Sincerely,

**Brian P. Kelly**  
Secretary, CalSTA

**Malcolm Dougherty,**  
Director, Caltrans

## Purpose

The California State Transportation Agency (CalSTA) and Caltrans are committed to modernizing the department and addressing these challenges. The Caltrans Improvement Project (CIP) is the result of an honest assessment of the department from the State Smart Transportation Initiative (SSTI). The January 2014 SSTI report described significant challenges for the department and issued a call for change.

CIP has one goal: For Caltrans to be a high-performance, efficient, transparent, accountable and modern organization. To accomplish this goal, CalSTA and Caltrans established five CIP workgroups and one oversight group in June 2014 to lead performance improvements at Caltrans.

The CIP is the first step to restoring the department as a model for state Departments of Transportation throughout the country. This report details how CIP is meeting transportation challenges, by improving communication, building stronger partnerships and fostering a culture of performance and innovation. We invite you to find out more about the workgroups and the activities they have underway at the CIP website, [www.dot.ca.gov/CIP](http://www.dot.ca.gov/CIP).

## Achievements in 2014

The first four months of the project provides a clear indication of how we are progressing. The most notable accomplishments for 2014 are highlighted below.

### Mission, Vision, Goals and Objectives

In June 2014, Caltrans adopted a new, modern mission and vision along with corresponding organizational goals. These can be found in Appendix A.

Strategic objectives aligned with those goals were adopted in August 2014 and are presented in the follow up SSTI Report of December 2014.

Consequently, CalSTA and Caltrans consolidated and refined these initial objectives to produce the strategic objectives found in Appendix B. The new mission and vision, coupled with the goals and objectives, provide Caltrans with a direction that is now consistent with the State's planning and policy objectives and set the course for Caltrans' role in California's transportation system.

*The **Strategic Direction Group** is responsible for the overall direction of this effort to improve Caltrans.*

*Brian Kelly, Secretary, CalSTA (lead)  
Malcolm Dougherty, Director, Caltrans (lead)  
Brian Annis, Undersecretary, CalSTA  
Dara Wheeler, Chief of Staff, Caltrans  
Steven Cliff, Assistant Director, Sustainability, Caltrans  
Christine Inouye, Project Manager*

Caltrans new mission also includes sustainability as a central element and developed ten objectives to achieve the "sustainability, livability and economy" goal. Secretary Kelly and Caltrans Director Dougherty created an Assistant Director of Sustainability position within Caltrans who is deploying the concept of sustainability and how it will be incorporated into programs, policies, processes, projects, plans and procedures.

## Investments

To better align investments with sustainability goals, Caltrans is leading implementation of several new transit and active transportation programs and providing staff support for others. Specifically, Caltrans is administering the new Active Transportation Program and the new Low Carbon Transit Operations Program and Transit and Intercity Rail Capital Program. Caltrans staff are important contributors to the High-Speed Rail Project, the new Affordable Housing Sustainable Communities Program.

To increase investment in preservation of state highways, the enacted 2014-15 budget included funding of over \$200 million to repair and upgrade transportation management systems, and fix highway pavement.

To look at baseline funding programs, the California Transportation Investment Priorities (CTIP) stakeholder workgroup developed recommendations to Secretary Kelly to pursue pricing and tolling as a means to reduce congestion and fund – as a top priority after related debt - preservation and operations of the facility. During 2014, Caltrans and CalSTA formed a CTIP subgroup to discuss reform and alignment of the STIP. Their recommendations are:

- For the Regional Transportation Improvement Programs (RTIPs) developed by the regions (75 percent of the STIP), the primary focus area for policy review should be at the level of the broader Regional Transportation Plans – which are themselves developed under the direction of state policies such as Senate Bill 375 Sustainable Community Strategies, and in the future, Senate Bill 743 requirements for assessing transportation impacts for projects.
- For the Interregional Transportation Improvement Program (ITIP) developed by Caltrans (25 percent of the STIP), the planning document called the Interregional Transportation Strategic Plan, should be released earlier in the process for additional public input at CTC meetings, with the ITIP similarly released earlier for public dialog. Note - Senate Bill 486 signed by the Governor September 30, 2014 places these requirements in statute.
- The STIP should be clearly understood by regions to be supportive of implementing sustainable community strategies and by Caltrans of implementing the sustainable California Transportation Plan 2040 (the first state plan developed under the sustainability requirements of Senate Bill 391). Multimodal, demand management, and preservation investments should be pursued, while recognizing the STIP is a program that also supports goods movement, including highway capacity investments.

CalSTA has pursued opportunities in 2014 to utilize Caltrans mid-level staff on agency initiatives, to both aid with one-time work, and to expose Caltrans staff to the policy priorities of the agency. These efforts included the Secretary's California Transportation Investment Priorities workgroups on establishing a road usage charge demonstration program, and on the development of pricing policy for high-occupancy toll lanes.

## Guidance Documents

Workgroup 4 has identified numerous action items that support Caltrans' new mission, vision and goals, and focus on providing a safe and sustainable transportation system. Progress has been made already on updating manuals and guidance, specifically:

- Caltrans endorsed the NACTO guidelines in April 2014 and supports its use by both district staff and local partners when making design decisions. Caltrans posted Frequently Asked Questions on Design Flexibility and the NACTO Endorsement on Caltrans website, to encourage its use.
- The release of the "Flexibility in Design" memorandum and NACTO guidelines endorsement in April 2014 reinforced the design approach to metropolitan areas and town centers.
- The Division of Design revised the Highway Design Manual in September 2014 to include clarification of design speed, place types and more to enhance integration of multimodal needs. They have also

completed a comparison of its design guidance to determine gaps with NACTO and are utilizing this comparison to further enhance its guidance and standards.

- The Division of Traffic Operations published a new CA Manual for Uniform Traffic Control Devices (MUTCD) in October 2014 that includes a number of new safety features for encouraging biking and walking. For the first time, the Director authored a Foreword that acknowledges the multimodal direction of the Department.

On October 15 and 16, 2014, two SSTI Advisors visited Caltrans and CalSTA to share best practices in flexible design from their respective state DOT's. A number of insightful takeaways from this visit have been compiled and shared for use by the team for further implementation.

Caltrans understands that multimodal approaches, such as the Smart Mobility 2010 and the California Transportation Plan 2040 should be stronger drivers in project selection. A Sustainable Mobility Program has been initiated in the Division of Planning to help implement Smart Mobility 2010 and California Transportation Plan 2040.

Caltrans also is engaged in American Association of State Highway and Transportation Officials' (AASHTO) Subcommittees on Design, Subcommittee on Traffic, and related task forces and subcommittees to ensure multimodal best practices from around the nation are garnered and shared.

### **Performance Management**

Caltrans consists of twelve districts, two regions, and a number of headquarters policy setting functions.

One of the consistent themes of the SSTI report was the recommendation to remove duplication, and obstacles in Caltrans decision-making. Where possible, providing authority at the district level is likely to increase positive relationships with local partners and produce faster decisions.

Workgroup 1 is recommending an organizational paradigm that will best provide for an effective and nimble flow of authority and identify where greater accountability can be achieved. In the summer and early fall of 2014,

- Caltrans developed a New Employee Handbook, including an Employee Expectation memorandum to be signed by all new Caltrans employees. The handbook was released in January 2015. Caltrans and CalSTA met

*Workgroup 4, **Innovation, Design Flexibility, Risk Management**, will focus on reforming critical guidance documents and standard operating procedures to address issues surrounding liability, risk, design flexibility, and challenges to increased local autonomy that to date have led many to see the department as "risk averse" and having a "culture of fear."*

*Kate White, Deputy Secretary for Environmental Policy and Housing Coordination, CalSTA (lead)  
Karla Sutliff, Chief Engineer, Caltrans (lead)  
AJ Jimenez, Deputy CalSTA General Counsel  
Tim Craggs, Division Chief Design, Caltrans  
Jeanne Scherer, Chief Deputy, Legal, Caltrans  
Bijan Sartipi, Director, District 4, Caltrans  
Tom Hallenbeck, Division Chief Traffic Operations, Caltrans  
Rhui Zhang, Division Chief Local Assistance, Caltrans  
Coco Briseno, Division of Research, Innovation and System Information, Caltrans  
Michelle Tucker, Enterprise Risk Management, Caltrans*

*Workgroup 1, **Performance Management and Human Resources**, will incorporate practices to achieve organizational excellence at Caltrans.  
Michael Tritz, Deputy Secretary for Audits and Performance Improvement, CalSTA (lead)  
Mitchell Weiss, Deputy Secretary for Administration and Finance, CalSTA (co-lead)  
Caltrans  
Cris Rojas, Deputy Director, Administration, Caltrans (lead)  
Michelle Tucker, Enterprise Risk Management, Caltrans  
Sharri Bender-Ehlert, Director, District 6*

with representatives from CHP to determine what policies exist in their department and with representatives from CalHR to determine if CHP policies could be applied to Caltrans.

- Caltrans also developed a Supervisor/Manager Handbook for all Caltrans supervisors and managers, including Expectation memorandum to be signed by all supervisors and managers. The handbook was released in January 2015.
- Caltrans implemented an internal, anonymous, whistleblower “Ethics Helpline.” Staffed by a third-party vendor, this phone- and web-based system demonstrates to Caltrans employees that Caltrans management stands by their shared organizational values by providing a safe and secure way to report potential ethical violations. This system was implemented with an aggressive marketing campaign, and is being used by employees to report suspected misconduct.
- Building on the Caltrans 2013 Enterprise Risk Profile, the Office of Enterprise Risk Management developed individual risk profiles for each District and Program area. In July 2014, at the request of the Caltrans Chief Information Security Officer, the Office of Enterprise Risk Management conducted a risk assessment with internal stakeholders regarding the adoption of a new IT security policy.

## What’s Planned for 2015

To keep our efforts moving forward, Caltrans is committed to an increased focus on improvement throughout all levels of our organization. Each workgroup has established outcomes for each recommendation, as well as pathways to achieve these outcomes. Outcomes for 2015 that set the new direction are highlighted below.

### **Mission, Vision and Goals**

Now that the new mission, vision, and goals are in place, Secretary Kelly and Director Dougherty are visiting the district offices to assert the new direction and outcomes this project will achieve. These visits will also provide opportunities for district staff to provide feedback on the mission, vision and goals, and to provide input on the strategic objectives and performance measures.

The new mission has led to a focus on better communication methods and earlier stakeholder involvement. A 2-week survey resulted in over 1,600 responses from staff and stakeholders. Caltrans will examine additional ways to gather employee and stakeholder feedback and input on the new mission, vision and goals, the revised Strategic Plan and improvements resulting from CIP.

The new Strategic Plan, to be adopted in early 2015, will incorporate the strategic objectives and the performance measures that will improve the operation and maintenance of California’s transportation system. The strategic planning process is connected to the enterprise risk approach, which will result in a cohesive action plan that maximizes Caltrans’ ability to:

- Improve travel time reliability for all modes of travel
- Reduce peak period travel times and delay for all modes through intelligent transportation systems operational strategies, demand management and land use / transportation integration;
- Develop multimodal integrated corridor management strategies for those of highest statewide importance
- Integrate transportation design with land use to increase person throughput

## Investments

Caltrans has recently released, and will finalize other statewide planning documents over the next 15 month, among these are the California Freight Mobility Plan (December 2014), the Interregional Transportation Strategic Plan (October 2015), and the California Transportation Plan 2040 (December 2015). The California Transportation Plan 2040 will be the first statewide plan to be completed under the requirements of Senate Bill 391. This statewide plan is the interregional equivalent of the sustainable community strategies developed by regions pursuant to Senate Bill 375. All of these plans will recognized the interconnectivity of multiple modes of transportation.

In September 2014, the Governor signed Senate Bill 486, which requires early submittal of a Strategic Interregional Transportation Plan to the California Transportation Commission (CTC) and earlier submittal of the Caltrans-selected STIP projects to the Commission. Multimodal approaches, such as the Smart Mobility 2010, will be stronger drivers in project selection and the California Transportation Plan 2040 will inform project selection as required by Senate Bill 486.

Caltrans has also committed to developing an asset management plan beginning with the 2016 SHOPP. This is also a statutory requirement of Senate Bill 486. CalSTA will work more closely with Caltrans in developing the 2016 STIP and opportunities for public review and input will be expanded.

The CTIP workgroup on the STIP discussed recommendations that would encourage the use of Regional Transportation Improvement Program funds (or regional STIP funds) on preservation through partnering with matching SHOPP funds. This will be discussed further through the development of an asset management plan for the 2016 SHOPP.

The CTIP workgroup on Tolling and Pricing made recommendations that would – after associated debt – direct toll lane revenue to maintenance and operations, and then to other multimodal improvements to the corridor. This would provide drivers who pay the tolls a high standard for preservation of those facilities and provide funding to maintain these new facilities. The Governor’s budget for 2015-16 includes proposed statutory language to restore authority for new high-occupancy toll lanes projects, including conversions of existing high-occupancy vehicle lanes to toll lanes.

The upcoming CTIP workgroup on Transportation Revenue will further explore revenue for preservation.

Caltrans, with the California Transportation Commission, is leading the state in the implementation of a Road Usage Charge demonstration program as a possible future replacement for fuel excise taxes. A Road Usage Charge may be a superior alternative due to fuel efficiency gains in automobiles and better pricing information for drivers than the traditional gas tax. Recent legislation, Senate Bill 1077, amends state law to require a Road Usage Charge Demonstration Program.

Caltrans is implementing several new transportation funding programs to strengthen leadership in multimodal transportation. These programs will improve bike, pedestrian and transit alternatives to private car trips and thereby will reduce vehicle miles traveled and reduce greenhouse gas emissions. Among these

*Workgroup 2, **Smart Investment and Resource Alignment**, will expedite the implementation of an asset management plan for Caltrans to improve system planning, management, operations and preservation with a “fix it first” policy.*

*Brian Annis, Undersecretary, CalSTA (lead)*

*Norma Ortega, Chief Financial Officer, Caltrans (lead)*

*Kate White, Deputy Secretary for Environmental Policy and Housing Coordination, CalSTA*

*Ben D’Alba, Special Advisor to the Secretary on Freight Policy, CalSTA*

*Kome Ajise, Chief Deputy Director, Caltrans*

*Steve Takigawa, Deputy Director, Maintenance and Operations, Caltrans*

*Ryan Chamberlain, Director, District 12, Caltrans*

programs are the Active Transportation Program, the Low Carbon Transit Operations Program, and the Transit and Intercity Rail Capital Program.

Caltrans and the California State Transportation Agency will be forming a CTIP subgroup to focus on the implementation of the California Freight Mobility Plan. The identification of major multimodal goods-movement transport corridors is part of this plan, currently in draft form.

### Strategic Partnerships

Caltrans is working to increase broader partnerships by focusing on mutual goals and co-benefits, and expanded interaction and joint planning.

- Coastal Commission - Caltrans is identifying bicycle and pedestrian trail improvement opportunities in concert with other transportation projects. Caltrans worked extensively with the San Diego Association of Governments and the Coastal Commission to avoid requesting multiple small permits and instead received one of the largest consolidated permits in history for multimodal improvements on the Interstate 5 corridor in San Diego.
- Air Resources Board, the Energy Commission, and the Department of Motor Vehicles (DMV) – Caltrans is working with these agencies on transportation modeling coordination. Caltrans has led travel modeling and surveying efforts with joint funding and joint use by these entities.
- Office of Planning and Research (OPR) - Caltrans is working with the Office of Planning and Research on the implementation of Senate Bill 743, including updating new traffic analysis for land use and transportation projects focused on vehicle miles traveled (VMT) reduction.
- Air Resources Board - Caltrans is working with ARB on sustainable freight planning and the implementation of programs funded with proceeds from the Cap and Trade Program. Caltrans is also working with the Air Board to effectively upgrade the Caltrans equipment fleet to reduce air pollution and greenhouse gas emissions.
- High-Speed Rail Authority (CHSRA) – Caltrans is providing staff support to the CHSRA on various construction activities. Caltrans planning is integrating the High-Speed Rail Project into state plans and coordinating on rail integration. Caltrans has an interagency agreement to aid the High-Speed Rail Authority to loan experienced staff in a variety of areas. Agency encourages this effort to benefit the high-speed rail project, but to also contribute to Caltrans staff development by participating in a major passenger rail investment program.
- Housing and Land-Use Coordination – Caltrans is participating with CalSTA and the Business, Consumer Services and Housing Agency on a monthly coordination meeting. Recent partnerships include the Housing and Community Development Department and the California Housing and Finance Agency joining with Caltrans on the effort to sell over 400 properties in Southern California originally purchased for a highway expansion project, which will be sold through the provisions of the affordable sales program.

*Workgroup 3, **Strategic Partnerships**, will focus primarily on a healthy collaboration with strategic partners to effectuate transportation system goals, including highway, road, transit, freight, and other transportation modes.*

*Brian Annis, Undersecretary, CalSTA (lead)  
Kome Ajise, Chief Deputy Director, Caltrans (lead)  
Kate White, Deputy Secretary for Environmental Policy and Housing Coordination, CalSTA  
Gareth Lacy, Deputy Secretary for Communications and Strategic Planning, CalSTA  
Steve Takigawa, Deputy Director, Maintenance and Operations, Caltrans  
Laurie Berman, Director, District 11, Caltrans*

- Resource Agency Departments - Caltrans will be expanding Advanced Mitigation, which provides an opportunity to partner with resource agencies to optimize ecological conservation, while at the same time reducing risk and reducing costs for transportation projects.

Caltrans is partnering with the Metropolitan Transportation Commission to implement an “Intelligent Transportation Corridor” or “Smart Corridor” along Interstate 80 in the Bay Area. The project will actively monitor real-time conditions and through new changeable message signs, direct travelers to adjust speeds and consider alternative routes on major arterials and transit.

Caltrans is shifting staff to establish a State Highway Relinquishment Program in the Division of Planning and is refining a list of highways or highway segments that are candidates for relinquishment to local governments. The Governor’s Budget for 2015-16 proposes new statutory language to streamline the process for relinquishing state routes to local governments.

### **Resources**

Caltrans is pursuing staff reorganization in the Planning Unit to implement the Sustainable Mobility Program and the State Highway Relinquishment Program

Caltrans is examining the staff resources in Maintenance and Traffic Operations to ensure the transportation management systems can be effectively managed to fully benefit from the capital invested. This includes maintaining the elements in good working order and operating them to respond to changing traffic situations such that congestion is mitigated to the fullest extent possible. The Governor’s Budget for 2015-16 proposes new staff at Caltrans to improve both the maintenance and operation of transportation management systems. The new traffic operations staff will support a pilot study of two primary north and south corridors to measure the effectiveness of operations efforts in expanding system capacity and throughput.

Caltrans Division of Design is reorganizing offices and realigning staff to better support increased design delegations to the Districts, and to provide an increased focus on more current and flexible design standards, information management and communications, professional development and succession planning, and continuous improvement.

### **Guidance Documents**

Caltrans will continue to coordinate with the California Traffic Control Devices Committee (CTCDC) and the Federal Highway Administration (FHWA), to facilitate implementation of NACTO concepts in related parts of the Highway Design Manual and the CA MUTCD.

In fall 2014, the Governor signed Assembly Bill 1193, which directs Caltrans to establish new design guidance for cycle tracks (“Class IV”) within the HDM by January 2016. Caltrans Division of Design is engaging a multifunctional stakeholder group to advise in the development of the new standards and guidance for these dedicated bikeways, which are physically separated from motor vehicle traffic.

Caltrans Division of Design is preparing for further delegation of engineering design decisions to the Districts and our local partners. Implementation of this further delegation is targeted for January 2015.

Current legal guidance at Caltrans is supportive of flexibility, when used with documentation of engineering judgment. Caltrans and CalSTA legal are fully engaged to address the problem of engineers’ risk averseness to design flexibility, increasing communication between the design and legal staff and clarification around design immunity and personal liability.

## Communication

Caltrans will aim to increase public participation in Caltrans planning activities, positive feedback from the public, and routine conversations between districts and local stakeholders and media. Caltrans developed four draft communication plans in 2014: External, Legislative, Stakeholders and Internal (ELSI). Feedback on the plans is currently being reviewed and will be incorporated into a final Communication plan in spring 2015. This plan will start the development of a social media plan, revisions to the Caltrans website, and “best practices” for community engagement at the district level.

Caltrans implemented a “performance journalism” system in which Caltrans tells the department’s story and routinely publicizes examples of how the department is achieving or failing to achieve its mission and vision. The Mile Marker will report on the performance measures and will be published quarterly starting in 2015.

Caltrans District press offices will also provide at least one performance journalism news story per month to headquarters. The idea is to get the focus on project-specific news events and focus on the day to day activities of maintenance, traffic, environmental protection and safety.

*Workgroup 5, **Communication**, will tackle the broad recommendation for the department to “communicate more effectively.”*

*Gareth Lacy, Deputy Secretary for Communications and Strategic Planning, CalSTA (lead)*

*Dara Wheeler, Chief of Staff, Caltrans (lead)*

*Ronda Paschal, Deputy Secretary for Legislation, CalSTA*

*Tamie McGowen, Assistant Director Public Affairs, Caltrans*

*Melanie Perron, Assistant Director Legislative Affairs, Caltrans*

*Basem Muallen, Director, District 8, Caltrans*

## Performance Management

Caltrans has established a goal team for each of the five newly adopted goals, and each team has been assigned the responsibility for developing performance measures for each of the strategic objectives corresponding to the goals. These teams are considering other states’ DOT measures, MPO measures, CTIP measures, CTP 2040 potential measures (the majority of which were endorsed by the Strategic Growth Council and SANDAG) and MAP-21 measures (paying particular attention to not contradict the concepts proffered in the letter sent from several CA State Agency Secretaries to the US DOT). Additionally, Caltrans is surveying external stakeholders and Caltrans employees to gain input and then will genuinely consider that input and discuss alternatives.

Once Caltrans develops its performance measures and new Strategic Plan, Caltrans will begin development team-specific goals; i.e., goals that are aligned with the enterprise-wide goals (and corresponding measures), but that are at a program/district level and that are designed to be used to assess the performance of managers, supervisors and staff conducting work in their respective parts of the organization.

Now that the SDG has sanctioned Lean 6-Sigma as the primary performance improvement methodology that Caltrans will deploy to improve its effectiveness and performance going forward, discussions have ensued with Governor’s Office of Business and Economic Development (GO-Biz) regarding their six-month training program. Individuals who go through this training will be able to use their newly acquired skill sets, including complex analytical and statistical tools that identify waste and inefficiencies in processes, on the selected projects (processes) and other performance improvement projects in the future. Consistent use of this overarching performance improvement methodology will contribute to performance-based management being an expected part of everyday work in Caltrans.

Caltrans will move ahead to mainstreaming risk management amongst its employee population. Caltrans is developing a risk framework, policy, training program and ongoing communication plan that is scheduled for completion in spring 2015.

As part of a re-invigorated training program, Caltrans reintroduced the Management and Leadership Training Programs, a three-phase managerial development class facilitated by California State University Sacramento (CSUS). Expecting to train roughly 300 employees annually based on its current funding level, Caltrans is rolling out additional modules in 2015 to broaden the pool of managers incentivized by positive performance and a shared vision.

### **Freight**

The California Freight Mobility Plan was released on December 31, 2014, and identifies major multimodal goods-movement transport corridors and will be more specific than the current draft on priority corridors. Under federal law, MAP-21, the federal government has created the National Freight Network, which is an input to the California Freight Mobility Plan.

Caltrans will implement the California Freight Advisory Committee Recommendations to initiate the CTIP subgroup on Freight with a focus on implementing the Committee's recommendations.

Caltrans has integrated certain rail and mass transportation functions to provide an office for rail integration. A rail integration position has also been created at CHSRA and at CalSTA to coordinate on the integration of passenger rail systems. Within the Planning Division, Caltrans has created a separate office for freight activities.

## SSTI Recommendations and Outcomes

### 1. ESTABLISH A MISSION, VISION AND ASSOCIATED GOALS THAT REFLECT CURRENT STATE LAW AND POLICY.

<p><b>1.1. Caltrans should use its visioning and strategic planning process to explain to its staff and stakeholders how it will address established state planning and policy goals around sustainability.</b></p>
<ul style="list-style-type: none"> <li>• <b>Assigned to the Strategic Direction Group</b></li> <li>• <b>In progress with target completion by March 2015</b></li> </ul>

*“California has produced nationally significant transportation policy innovations in land/use transportation integration, multimodalism, and climate protection. In many ways, these policies establish the basis for Caltrans’ work. However, these concepts have not been integrated well into Caltrans’ vision or practice. Caltrans should develop a vision statement and a strategic plan that reflects the directions outlined in both legislative and executive initiatives in the state, with emphasis on accessibility and mobility, sustainability, economic growth, equity, and multimodal system integration.”*

*SSTI Assessment and Recommendations,  
January 2014*

Caltrans developed a new mission which includes sustainability as a central element. Likewise, Caltrans developed a goal for “Sustainability, livability and economy: Make long-lasting smart-mobility decisions that improve the environment, support a vibrant economy and build communities, not sprawl.” This goal will include requirements for sustainability measures for State Transportation Improvement Program (STIP) and State Highway Operations and Protection Program (SHOPP) projects prioritization to align investments with sustainability and regional sustainable communities’ strategies.

Caltrans agreed that sustainability should be applied to all department goals and developed ten objectives to achieve the “sustainability, livability and economy” goal. To support this goal, Caltrans established a new goal team to develop performance measures to achieve the sustainability objectives. Work began in September and is ongoing with development of draft performance measures and strategies.

Secretary Kelly and Caltrans Director Dougherty created an Assistant Director of Sustainability position within Caltrans who is deploying the concept of sustainability and how it will be incorporated into programs, policies, processes, projects, plans and procedures. The assistant director and staff are also evaluating gaps in understanding and incorporating sustainability principles among Caltrans staff and programs. They will develop and implement a plan for additional outreach and draft a Director’s Policy to communicate the definition of sustainability and roles and responsibilities in the department.

*External involvement: No specific involvement anticipated, but influence from external stakeholders is likely.*

<p><b>1.2. System preservation should be a primary message.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 2, Smart Investment and Resource Alignment</b></li> <li>• <b>In progress with ongoing work through early 2016</b></li> </ul>
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Caltrans has directed \$337 million in “early loan repayment” in the 2014-15 budget to preservation such as Transportation Management Systems rehabilitation and upgrades, pavement preservation, and culvert/fish passage preservation investments.

The California Transportation Investment Priorities (CTIP) stakeholder workgroup developed recommendations to Secretary Kelly to pursue pricing and tolling as a means to reduce congestion and fund – as a top priority after related debt - preservation and operations of the facility.

Caltrans has committed to developing an asset management plan beginning with the 2016 SHOPP. In September 2014, Senate Bill 486 was signed by the Governor to adopt this as a statutory requirement.

A future CTIP group will commence in late January 2015 to explore new pay-as-you-go revenue to focus on preservation.

Caltrans internal and external documents/reports will increase the focus on preservation and Caltrans is developing new performance measures to track achievement of the preservation objectives. These will be incorporated in the Strategic Plan adopted in early 2015.

*External involvement: CTIP.*

<p><b>1.3. Caltrans should outline a groundbreaking approach to the delivery of transportation services—an approach that is not adequately expressed in the current “improves mobility” mission.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to the Strategic Direction Group</b></li> <li>• <b>In progress with ongoing work through 2015</b></li> </ul>
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Caltrans has taken new approaches to the delivery of transportation services as part of recent internal process improvements and review efforts. Over the last couple of years, Caltrans has created a freight advisory committee; worked in tandem with High Speed Rail to address multimodal transportation services; increased delegation to the districts and established an office of enterprise risk management. More recently, Caltrans has adopted a new mission to shift from "improving mobility" to:

*Provide a safe, sustainable, integrated and efficient transportation system to enhance California’s economy and livability*

This new mission has led to the development of a new vision, goals and strategic objectives, as well as a focus on better communication methods and earlier stakeholder involvement. The appointment of a sustainability director, the appointment of a new chief deputy director and the endorsement of the NACTO design guidelines are more examples of new approaches Caltrans has taken to provide leadership in the California transportation. Caltrans will continue to monitor national best practices and consider using flexible and innovative design and delivery practices as we pursue strategic partnerships to make the new and better approaches reality.

*External involvement: No specific involvement but influence from external stakeholders is likely.*

<p><b>1.4. Caltrans should have a strong focus on state interconnectivity, in particular as it relates to freight movement and port connectivity.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 2, Smart Investment and Resource Alignment</b></li> <li>• <b>In progress with ongoing work through mid-2015</b></li> </ul>
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Through discussion with Self-Help Counties Coalition (SHCC) and other partners, Caltrans believes it can add value to both regional and statewide planning by increasing its focus on interregional goods movement. As one example of this increased focus, Caltrans is exploring avenues to update the California Vehicle Inventory and Use Survey for trucks.

Caltrans is leading the California Freight Advisory Committee, which is a broad stakeholder group advising on the California Freight Mobility Plan. The California Air Resources Board (ARB) and Caltrans collaborate on this effort and the ARB’s Sustainable Freight Plan (mid 2015).

Caltrans and the State have focused on freight by creating the Trade Corridors Improvement Fund as part of the 2006 Proposition 1B Bond Act. The Governor recently signed Senate Bill 1228, which continues this program beyond Proposition 1B. A more recent example is the “Raise 80” project underway, where Caltrans is raising the vertical clearance to 16 feet, 6 inches, on nine highway overpasses on Interstate 80 – this is the major east-west trade corridor connecting to the Port of Oakland.

Caltrans has completed is working on other statewide planning documents to be finalized over the next 15 month, among these are the California Freight Mobility Plan (December 2014), the Interregional Transportation Strategic Plan (October 2015), and the California Transportation Plan 2040 (December 2015). All of these plans will recognized the interconnectivity of multiple modes of transportation.

In early 2015, Caltrans and the California State Transportation Agency will be forming a CTIP subgroup to focus on the implementation of the California Freight Mobility Plan.

Caltrans is involved in several freight-related coalitions, including the M-5 Marine Corridor and the Border Master Plan between Mexico and California.

See also related recommendations: 4.1, 4.4, 7.1 and 7.2.

*External involvement: SHCC, ARB, CTIP.*

**2. BETTER MATCH INVESTMENTS TO POLICY GOALS EXPRESSED IN THE VISION AND PLAN.**

<p><b>2.1. CalSTA should see proposed STIP project lists more than a week before they go to the CTC for approval.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 2, Smart Investment and Resource Alignment</b></li> <li>• <b>In progress with ongoing work through early 2016</b></li> </ul>
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In September 2014, the Governor signed Senate Bill 486, which requires early submittal of a Strategic Interregional Transportation Plan to the California Transportation Commission (CTC) and earlier submittal of the Caltrans-selected STIP projects to the Commission. CalSTA will work more closely with Caltrans in developing the 2016 STIP and opportunities for public review and input will be expanded.

*External involvement: No specific involvement anticipated, but influence from external stakeholders is likely.*

**2.2. CalSTA and Caltrans should use the CTC review process to impose a policy review of all proposed investments.**

- **Assigned to Workgroup 2, Smart Investment and Resource Alignment**
- **In progress with ongoing work through early 2016**

During 2014, Caltrans and CalSTA formed a CTIP subgroup to discuss reform and alignment of the STIP. The subgroup met three times and a series of recommendations were developed for discussion by the overall CTIP workgroup on September 16th. A majority of those CTIP members voting at the September 16th agreed with the following recommendations, but a sizable minority indicated the proposed recommendations either went too far on multimodal, or did not go far enough:

- For the Regional Transportation Improvement Programs (RTIPs) developed by the regions (75 percent of the STIP), the primary focus area for policy review should be at the level of the broader Regional Transportation Plans – which are themselves developed under the direction of state policies such as Senate Bill 375 Sustainable Community Strategies, and in the future, Senate Bill 743 requirements for assessing transportation impacts for projects.
- For the Interregional Transportation Improvement Program (ITIP) developed by Caltrans (25 percent of the STIP), the planning document called the Interregional Transportation Strategic Plan, should be released earlier in the process for additional public input at CTC meetings, with the ITIP similarly released earlier for public dialog. Note - Senate Bill 486 signed by the Governor September 30, 2014 places these requirements in statute.
- The STIP should be clearly understood by regions to be supportive of implementing sustainable community strategies and by Caltrans of implementing the sustainable California Transportation Plan 2040 (the first state plan developed under the sustainability requirements of Senate Bill 391). Multimodal, demand management, and preservation investments should be pursued, while recognizing the STIP is a program that also supports goods movement, including highway capacity investments.

STIP performance measures should be strong, clearly understood, and transparent to the public. The CTIP group recommended certain characteristics of good performance measures, but felt the CTC's adoption of actual performance measures in the 2016 STIP Guidelines should be informed by the still-evolving federal Moving Ahead for Progress in the 21st Century Act (MAP-21) performance measures, and broader and more in-depth stakeholder discussions.

Through the above actions, the CTC review process for projects should be improved to allow for an improved policy discussion of investment programs. The CTC has released draft guidelines for the 2016 STIP and is engaged in public outreach on the draft.

See additional discussion under recommendation 2.3 below.

*“When Caltrans selects its own capacity projects and agrees to take new capacity generated by others, the overriding policy consideration is improving auto-mobility. The department also seeks to fund projects that reduce auto crashes, and it is bound by statute to devote SHOPP funds to preservation. Other policy goals, such as effects on land use and GHG, have traditionally received little attention. Following the intent of AB 857, which tries to connect investment to policy, Caltrans and CalSTA need to revise budgeting processes.”*

*SSTI Assessment and Recommendations, January 2014*

*External involvement: CTIP.*

<b>2.3. CalSTA should consider proposing legislation to allow the CTC to approve individual projects rather than entire programs.</b>	<ul style="list-style-type: none"><li>• <b>Assigned to Workgroup 2, Smart Investment and Resource Alignment</b></li><li>• <b>Considered but Not Implemented</b></li></ul>
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Caltrans and CalSTA discussed this recommendation with the SSTI advisors, the CTC, and stakeholders through the CTIP workgroup. Current law does allow the CTC to reject a program of projects forwarded for funding by regions or by Caltrans. However, instead of setting up a secondary project selection process after the Regional Transportation Plans and Interregional Transportation Strategic Plans are adopted, Caltrans recommends retaining current law provisions, and instead strengthening the broader planning processes. Specifically, measures are suggested in recommendation 2.2 above to strengthen the CTC review of the Interregional Transportation Strategic Plan. Measures are also suggested to improve performance measures of the overall STIP and make them more transparent and accessible to the public.

*External involvement: CTIP.*

<b>2.4. Caltrans, with CalSTA, should review legislatively mandated reports and propose discontinuing many of them.</b>	<ul style="list-style-type: none"><li>• <b>Assigned to Workgroup 5, Communications</b></li><li>• <b>Considered but Not Implemented</b></li></ul>
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Caltrans has a complete list of legislatively mandated reports and will work together with CalSTA to identify a methodology to review each report. Since eliminating any report requires legislation, Caltrans and CalSTA will continue to work with the Legislature on the importance and necessity of mandated reporting. Caltrans divisions will also review reports in their programs to determine if the information can be found publicly or perhaps in another Caltrans document, like the Mile Marker. Ultimately, it is difficult to determine how long or if it is possible to eliminate the reports, because the process is dependent on legislative action. Caltrans Legislative Affairs will continue to track mandated reports and any efforts to eliminate or consolidate them.

*External involvement: No specific involvement anticipated, but influence from external stakeholders is likely.*

### **3. TAKE ADVANTAGE OF THE STATE'S NEW INSTITUTIONAL STRUCTURE TO HELP DRIVE CHANGE.**

<b>3.1. CalSTA and Caltrans should strengthen relationships with other state agencies that can help (or hinder) the achievement of the new vision.</b>	<ul style="list-style-type: none"><li>• <b>Assigned to Workgroup 3, Strategic Partnerships</b></li><li>• <b>In progress with ongoing work through 2015</b></li></ul>
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In the past, Caltrans work with other state agencies may have been perceived as more of an ad hoc effort to overcome an obstacle to completing a specific transportation project or solve a specific problem. To strengthen relationships with other state agencies, Caltrans is working to increase broader partnerships by

focusing on mutual goals and co-benefits, and expanded interaction and joint planning. Below are some recent examples:

- California Coastal Commission – There is joint interest in collaborating on the California Coastal Trail, and Caltrans is identifying bicycle and pedestrian trail improvement opportunities in concert with other transportation projects. Additionally Caltrans worked extensively with the San Diego Association of Governments and the Coastal Commission to avoid requesting multiple small permits and instead received one of the largest consolidated permits in history for multimodal improvements on the Interstate 5 corridor in San Diego.
- Air Resources Board, the Energy Commission, and the Department of Motor Vehicles (DMV) – Caltrans is working with these agencies on transportation modeling coordination. Caltrans has led travel modeling and surveying efforts with joint funding and joint use by these entities.
- Resource Agency Departments - Caltrans will be expanding Advanced Mitigation, which provides an opportunity to partner with resource agencies to optimize improvements to resource land, while at the same time reducing risk and reducing costs for transportation projects.
- Office of Planning and Research (OPR) - Caltrans is working with the Office of Planning and Research on the implementation of Senate Bill 743, including updating new traffic analysis for land use and transportation project focused on vehicle miles traveled (VMT) reduction.
- Air Resources Board - Caltrans is working with ARB on sustainable freight planning and the implementation of programs funded with proceeds from the Cap and Trade Program. Caltrans is also working with the Air Board to effectively upgrade the Caltrans equipment fleet to reduce air pollution and greenhouse gas emissions.
- High-Speed Rail Authority (CHSRA) – Caltrans is providing staff support to the CHSRA on various construction activities. Caltrans planning is integrating the High-Speed Rail Project into state plans and coordinating on rail integration.
- Housing and Land-Use Coordination – Caltrans is participating with CalSTA and the Business, Consumer Services and Housing Agency on a monthly coordination meeting. Recent partnerships include the Housing and Community Development Department and the California Housing and Finance Agency joining with Caltrans on the effort to sell over 400 properties in Southern California originally purchased for a highway expansion project, which will be sold through the provisions of the affordable sales program.
- Resource Agency Departments - Caltrans will be expanding Advanced Mitigation, which provides an opportunity to partner with resource agencies to optimize ecological conservation, while at the same time reducing risk and reducing costs for transportation projects.

*“Recently created CalSTA offers a tremendous opportunity for reforming the transportation program. The agency can play an important role in providing policy guidance, insisting on culture change, and coordinating investments. For example, the agency should establish implementation benchmarks for key initiatives, monitor the operational details of their implementation, and establish a system of accountability and transparency for their success.”*

*SSTI Assessment and  
Recommendations,  
January 2014*

*External involvement: California Coastal Commission, SANDAG, California Air Resources Board, Energy Commission, Resource Agency, DMV, OPR, CHSRA, BCSH, HCD, CalHFA.*

<p><b>3.2. CalSTA should provide leadership and oversight in implementing the mission and vision and the recommendations of this study.</b></p>	<ul style="list-style-type: none"> <li>• Assigned to the Strategic Direction Group</li> <li>• In progress with ongoing work through 2015</li> </ul>
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CalSTA worked with Caltrans on the department’s adoption of new mission and vision in early 2014.

Agency leadership and oversight have been provided to the broader initiative through creation of five workgroups, with a steering committee lead by the Secretary and the Director to oversee them. A half-time project manager was assigned to manage the overall effort and to coordinate the groups. Each workgroup includes a CalSTA lead and a Caltrans lead. The work groups cover 1) performance management and human resource issues, 2) alignment of investments and internal resources to goals, 3) strategic partnerships, 4) roadway designs for multimodal use and livability, and 5) communications.

The Transportation Agency was created, effective July 1, 2013, to bring a greater focus to the coordination and effectiveness of state transportation programs. Consistent with this charge, CalSTA will continue to work with Caltrans on the modernization of the department.

*External involvement: No specific involvement but influence from external stakeholders is likely.*

<p><b>3.3. CalSTA should develop a “staff exchange” program.</b></p>	<ul style="list-style-type: none"> <li>• Assigned to the Strategic Direction Group</li> <li>• In progress with ongoing work through 2015</li> </ul>
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CalSTA has pursued opportunities in 2014 to utilize Caltrans mid-level staff on agency initiatives, to both aid with one-time work, and to expose Caltrans staff to the policy priorities of the agency. These efforts included the Secretary’s California Transportation Investment Priorities workgroups on establishing a road usage charge demonstration program, and on the development of pricing policy for high-occupancy toll lanes. CalSTA will look for similar opportunities in the future to temporarily tap Caltrans staff to work on agency initiatives and foster staff development.

Caltrans has an interagency agreement to aid the High-Speed Rail Authority to loan experienced staff in a variety of areas. Agency encourages this effort to benefit the high-speed rail project, but to also contribute to Caltrans staff development by participating in a major passenger rail investment program. Caltrans will be open to other staff exchange opportunities in the future, with both High-Speed Rail and other state agencies.

*External involvement: No specific involvement but influence from external stakeholders is likely.*

#### **4. ALIGN RESOURCES TO DESIRED GOALS.**

<p><b>4.1. Caltrans should strengthen its planning unit.</b></p>	<ul style="list-style-type: none"> <li>• Assigned to Workgroup 2, Smart Investment and Resource Alignment and Workgroup 4, Innovation, Design Flexibility and Risk Management</li> <li>• In progress with ongoing work through 2015</li> </ul>
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As indicated in the recommendation 1.4 response, through discussion with regional partners, Caltrans believe it has a comparative advantage with interregional freight planning that incorporates sustainability partnership with ARB. Caltrans has the following ongoing efforts to strengthen its planning unit:

Caltrans has resumed a workgroup set up in 2013 with SHCC representatives and rural representatives to determine how to best leverage state and regional planning data and models. This workgroup had some initial discussions on where Caltrans and the regions respectively have comparative advantage in data collection and modeling. In November 2014, CalSTA and Caltrans in collaboration with ARB and OPR launched a quarterly modeling Advisory Committee, chaired by an MPO.

Caltrans is pursuing staff reorganization in the Planning Unit to implement the Sustainable Mobility Program and the State Highway Relinquishment Program - see also recommendation 4.4.

Additionally, Caltrans will evaluate Highway Design Manual (HDM) and Manual on Uniform Traffic Control Devices (MUTCD) exception processes to ensure efficient, effective implementation of designs and signage consistent with the new goals.

One identified area for Caltrans planning leadership in in the area of interregional freight data and planning. Caltrans collection of data in this area is also of interest to other state departments such as the Energy Commission and the Air Resources Board as well as to regional planners.

Caltrans had had challenges in the past with staff retention is will explore options to make improvements in this area.

See also recommendation 4.4.

*External involvement: ARB, SHCC.*

*“The allocation of staff resources is a good benchmark of the emphasis that an organization places on particular functions that ultimately relate to achieving stated goals. Organizational structure is an important precursor to organizational effectiveness.”*

*“In general, the department has an abundance of project development resources—including half or more of the staff members in planning, who work on project initiation documents—but is short of needed capacity in system planning, in operations, in non-highway modes, in asset management, and in strategic partnerships, including innovative finance arrangements.”*

*SSTI Assessment and Recommendations, January 2014*

<p><b>4.2. Caltrans should improve its ability to operate its highway system.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 2, Smart Investment and Resource Alignment</b></li> <li>• <b>In progress with ongoing work through 2015</b></li> </ul>
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The enacted 2014-15 budget included funding of \$100 million to repair and upgrade transportation management systems.

As referenced in recommendation 2.2, Caltrans notes transportation management systems are allowable and appropriate expenditures in the STIP. Where a region chooses to invest Regional Transportation Improvement Program or other funding in these systems, there may be partnership opportunities for Caltrans to partner with SHOPP and/or maintenance funds.

Caltrans is examining the staff resources in Maintenance and Traffic Operations to ensure the transportation management systems can be effectively managed to fully benefit from the capital invested. This includes maintaining the elements in good working order and operating them to respond to changing traffic

situations such that congestion is mitigated to the fullest extent possible. The Governor’s Budget for 2015-16 proposes new staff at Caltrans to improve both the maintenance and operation of transportation management systems. The new traffic operations staff will support a pilot study of two primary north and south corridors to measure the effectiveness of operations efforts in expanding system capacity and throughput.

Caltrans has added a complete streets checklist for Project Initiation Documents, to ensure smart-mobility elements are appropriately included in early project plans.

Caltrans is partnering with the Metropolitan Transportation Commission to implement an “Intelligent Transportation Corridor” or “Smart Corridor” along Interstate 80 in the Bay Area. The project will actively monitor real-time conditions and through new changeable message signs, direct travelers to adjust speeds and consider alternative routes on major arterials and transit.

Caltrans has adopted multiple objectives, concurrent with the new mission and vision, which will improve the operation and maintenance of California’s transportation system. These include: Improve travel time reliability for all modes of travel; reduce peak period travel times and delay for all modes through intelligent transportation systems, operational strategies, demand management and land use / transportation integration; develop multimodal integrated corridor management strategies for those of highest statewide importance; and integrate transportation design with land use to increase person throughput.

*External involvement: Metropolitan Transportation Commission.*

<p><b>4.3. Caltrans should modernize its stewardship effort through asset management.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 2, Smart Investment and Resource Alignment</b></li> <li>• <b>In progress with ongoing work through early 2016</b></li> </ul>
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Caltrans has committed to phasing in an asset management plan for the SHOPP, starting in 2016. In September 2014, Senate Bill 486 was signed by the Governor, to make this a statutory requirement. The anticipated plan will involve a public process with the CTC to weight SHOPP projects on various factors and publicly develop and implement the plan.

*External involvement: CTC.*

<p><b>4.4. Caltrans should provide more resources, expertise, or simply a real voice in planning and prioritization to the offices dealing with rail and freight.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 2, Smart Investment and Resource Alignment</b></li> <li>• <b>In progress with ongoing work through early 2016</b></li> </ul>
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Within the Planning Division, Caltrans has created a separate office for freight activities.

Caltrans has integrated certain rail and mass transportation functions to provide an office for rail integration. A rail integration position has also been created at CHSRA and at CalSTA to coordinate on the integration of passenger rail systems.

Caltrans and the California State Transportation Agency will be forming a CTIP subgroup to focus on the implementation of the California Freight Mobility Plan.

See also recommendation 1.4, 4.1, 7.1 and 7.2.

*External involvement: CHSRA and CTIP.*

<b>4.5. Caltrans should develop an enhanced internal capability to identify and pursue innovative finance partnerships.</b>	<ul style="list-style-type: none"><li>• <b>Assigned to Workgroup 2, Smart Investment and Resource Alignment</b></li><li>• <b>In progress with ongoing work through 2015</b></li></ul>
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Pricing Policy: Working with CalSTA, the CTIP workgroup on Pricing provided recommendations to Secretary Kelly on September 16th on the adoption of a Caltrans policy on managed lanes and pricing to better manage traffic and that (after related debt) places funding for maintenance and operations in the first tier of revenues, followed by other multimodal investments on that transportation corridor. This effort included principals for changes to statute to streamline the process for pricing.

Caltrans is considering joining the Western Exchange, which is a non-profit that supports best practices in public private partnerships and receives support also from Oregon, Washington, and British Columbia. This new partnership expands capacity to look at best practices without expending lots of resources.

Caltrans maintains an Office of Public Private Partnerships to consult within the department and with external entities on innovative finance including public-private partnerships. This office will be adjusted as appropriate, to address change driven by the pricing policy and the work with the Western Exchange

*External involvement: CHSRA and Western Exchange.*

## **5. REFORM CRITICAL GUIDANCE DOCUMENTS AND STANDARD OPERATION PROCEDURES.**

<b>5.1. Caltrans should update the design and traffic control device manuals, and other guidance documents as necessary, to implement the new strategic plan and vision.</b>	<ul style="list-style-type: none"><li>• <b>Assigned to Workgroup 4, Innovation, Design Flexibility and Risk Management</b></li><li>• <b>In progress with target completion by December 2015</b></li></ul>
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Workgroup 4 has identified numerous action items that support Caltrans' new mission, vision and goals, and focus on providing a safe and sustainable transportation system. Progress has been made already on updating manuals and guidance, specifically:

- Caltrans revised the Highway Design Manual in September 2014 to include clarification of design speed, place types and more to enhance integration of multimodal needs. Caltrans has also completed a comparison of its design guidance to determine gaps with NACTO and is utilizing this comparison to further enhance its guidance and standards.
- Caltrans also analyzed 30 topics included in the NACTO Urban Bikeway Design Guide, relative to the guidance provided in various Traffic Operations desk references such as Complete Intersections and CA MUTCD, revealing general consistency in many areas and topics. Based on these findings, Caltrans Traffic Operations published new CA MUTCD in October 2014 that aims to improve safety and mobility for all travelers (with a new Foreword from Director Dougherty highlighting relevant changes). Caltrans will continue to coordinate with the California Traffic Control Devices Committee

(CTCDC) and the Federal Highway Administration (FHWA), to facilitate implementation of NACTO concepts in related parts of the CA MUTCD.

By December 2015 (and on-going), Caltrans will revise all Caltrans existing and new Manuals, Guidelines, Plans, Policies, etc. to address findings of above referenced analyses.

*External involvement: SHCC, FHWA, US DOT, Project for Public Spaces.*

<p><b>5.2. As an initial step, Caltrans should relinquish oversight of bike facilities on locally owned streets.</b></p>
<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 4, Innovation, Design Flexibility and Risk Management</b></li> <li>• <b>In progress with target completion by January 2016</b></li> </ul>

*“State departments of transportation rely on standardized approaches to planning, design, construction, maintenance, and other activities. These standards and guidelines both reflect and shape the culture. To be effective and to foster modern practice, such standardized approaches must be frequently updated to reflect different circumstances or new knowledge about safe designs and practices. Though Caltrans has produced some attractive policy statements, including the Smart Mobility report and the freshly minted “Main Streets” guide, the manuals and processes that actually dictate decisions tend to be both overly rigid and dated.”*

*SSTI Assessment and Recommendations,  
January 2014*

The intent of Assembly Bill 1193 was to reinforce local authority to approve designs of bike facilities that they own. Caltrans provided technical feedback to the author of Assembly Bill 1193, signed by the governor fall 2014. However the final language imposes procedural requirements on local agencies and does not provide the full flexibility sought.

The Caltrans Highway Design Manual and Local Assistance Manuals will provide additional clarity as to the roles, responsibilities and authority of local entities relative to implementation of standards for bicycle facilities which they own and operate.

In addition, Assembly Bill 1193 also directs Caltrans to establish new design guidance for cycle tracks (“Class IV”) within the HDM by January 2016. Caltrans Division of Design is engaging a multifunctional stakeholder group to advise in the development of the new standards and guidance for these dedicated bikeways, which are physically separated from motor vehicle traffic.

*External involvement: SHCC, FHWA, US DOT, Project for Public Spaces.*

<p><b>5.3. As a second initial step, Caltrans should give designers the option of using NACTO urban design standards in metro areas.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 4, Innovation, Design Flexibility and Risk Management</b></li> <li>• <b>In progress with target completion by December 2015</b></li> </ul>
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Caltrans endorsed the NACTO guidelines in April 2014 and supports its use by both district staff and local partners when making design decisions. Caltrans posted Frequently Asked Questions on Design Flexibility and the NACTO Endorsement on Caltrans website, to encourage its use.

To facilitate a culture change and better understanding of design flexibility, Caltrans generated an initial list of target presentations for 12-18 month educational outreach to Caltrans Districts and local partners regarding their respective roles, responsibilities and authority in making sound engineering decisions on facilities that they own and operate. A list of local entities has been shared with the other Caltrans Improvement Project (CIP) workgroups to coordinate educational outreach.

Completed presentations on design flexibility include:

- 5/14 – Caltrans Legal Division (tort lawyers)
- 6/6/14 -- California Bicycle Advisory Committee
- 7/30/14 – State-Local Cooperative Meeting
- 7/30/14 and 8/27/14 - Planning Horizons Webinar (open to all Caltrans staff)
- 10/16/14 – Caltrans Legal Division (all assistant chief and deputy chief counsel)
- 12/11/14 – Caltrans Design Management Board (HQ Design managers and District Design Deputies)

*External involvement: SHCC, FHWA, US DOT, Project for Public Spaces.*

<p><b>5.4. Caltrans should generally rethink its approach to facilities in metro areas and town centers.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 4, Innovation, Design Flexibility and Risk Management</b></li> <li>• <b>In progress with target completion by December 2015</b></li> </ul>
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The release of the “Flexibility in Design” memorandum and NACTO guidelines endorsement in April 2014 reinforced the design approach to metropolitan areas and town centers. Caltrans has facilitated increased collaboration between its Planning, Design, Operations and Legal divisions by encouraging attendance at Planning’s Complete Streets 2014-2015 trainings around the State and engaging Design on Planning’s Bicycle Task Force, which provides innovative street design approaches particularly for metro areas and town centers. The Design Management Board is adding a standing member from the Legal Division.

Caltrans is engaged in American Association of State Highway and Transportation Officials’ (AASHTO) Subcommittees on Design, Subcommittee on Traffic, and related task forces and subcommittees to ensure multimodal best practices from around the nation are garnered and shared. Approximately twenty Caltrans staff attended NACTO’s annual conference in San Francisco October 2014, generating takeaways, lessons learned, and best practices from cities and other stakeholders.

*External involvement: SHCC, FHWA, US DOT, Project for Public Spaces.*

<p><b>5.5. Caltrans should build more flexibility into its processes.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 4, Innovation, Design Flexibility and Risk Management</b></li> <li>• <b>In progress with target completion by January 2015</b></li> </ul>
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Concurrent with NACTO endorsement in April 2014, Division of Design issued a memorandum to all HDM holders reaffirming a local entity’s authority to make engineering decisions on facilities that they own and operate.

Caltrans is currently analyzing approval authority held in Headquarters for further delegation of engineering decisions to the Districts and our local partners, decreasing the need for “design exceptions” and encouraging more flexibility. Implementation of this further delegation is targeted for January 2015. Additional review of engineering decision-making processes within districts may be necessary.

*External involvement: SHCC, FHWA, US DOT, Project for Public Spaces.*

<p><b>5.6. Caltrans should implement Smart Mobility 2010.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 2, Smart Investment and Resource Alignment</b></li> <li>• <b>In progress with ongoing work through 2015</b></li> </ul>
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Caltrans agrees that multimodal approaches, such as the Smart Mobility 2010 and the California Transportation Plan 2040 should be stronger drivers in project selection. To strengthen this, Caltrans is doing the following:

- Set up a Sustainable Mobility Program in the Division of Planning to help implement Smart Mobility 2010 and California Transportation Plan 2040.
- Require that the CTP 2040 inform project selection – this was implemented in statute by Senate Bill 486, signed by the Governor in September 2014.

Caltrans has also modified project documents in the “Project Initiation Document,” or PID phase to ensure Smart Mobility 2010 principles are considered, and where feasible, included

*External involvement: No specific involvement but influence from external stakeholders is likely.*

<p><b>5.7. Caltrans and CalSTA should revisit legal guidance on the risk of innovative design and practices.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 4, Innovation, Design Flexibility and Risk Management</b></li> <li>• <b>In progress with target completion by December 2015</b></li> </ul>
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Workgroup 4 found that legal guidance at Caltrans is supportive of flexibility, if coupled with documentation of engineering judgment. However, the workgroup found a disconnect between the design engineers and legal due to a lack of ongoing communication between the two. Caltrans and CalSTA legal are fully engaged to address the problem of engineers’ risk averseness to design flexibility, and increasing communication and clarification around design immunity and personal liability.

Caltrans drafted a white paper in October 2014 that evaluates federal laws and regulations that inform the CA MUTCD. The paper has a series of specific findings and recommendations that could significantly encourage innovation in street operations.

*External involvement: No specific involvement anticipated, but influence from external stakeholders is likely.*

## 6. STRENGTHEN STRATEGIC PARTNERSHIPS.

### 6.1. Caltrans should assert leadership in the area of sustainable transportation in its relations with regional partners.

- Assigned to Workgroup 3, Strategic Partnerships
- In progress with ongoing work through 2015

California Transportation Plan 2040 is the first statewide plan to be completed under the requirements of Senate Bill 391 and is being developed with a due date of December 2015. This statewide plan is the interregional equivalent of the sustainable community strategies developed by regions pursuant to Senate Bill 375.

Caltrans is implementing several new transportation funding programs to strengthen leadership in multimodal transportation. These programs will improve bike, pedestrian and transit alternatives to private car trips and thereby will reduce vehicle miles traveled and reduce greenhouse gas emissions. Among these programs are the Active Transportation Program, the Low Carbon Transit Operations Program, and the Transit and Intercity Rail Capital Program. Caltrans is also providing expertise to the High-Speed Rail Authority, and is assisting the Strategic Growth Council with its implementation of the new Affordable Housing and Sustainable Communities Program.

Caltrans has endorsed the NACTO design standards and is working with local partners on both updates to design guidance and flexibility that exists for design exceptions.

Caltrans is encouraging sustainable planning through revised grant programs centered on Caltrans new mission.

Caltrans, with the California Transportation Commission, is leading the state in the implementation of a Road Usage Charge demonstration program as a possible future replacement for fuel excise taxes. A Road Usage Charge may be a superior alternative due to fuel efficiency gains in automobiles and better pricing information for drivers than the traditional gas tax. More accurate pricing information available to drivers may spur more low-emission vehicle purchases and reduce vehicle miles traveled. Recent legislation, Senate Bill 1077, amends state law to require a Road Usage Charge Demonstration Program.

In addition to existing staff support on right-of-way legal, integrated rail planning, and administrative support, Caltrans will look for other ways to partner on the high-speed rail project.

*External involvement: No specific involvement but influence from external stakeholders is likely.*

*“Many of those taking part in the assessment pointed to San Diego as an example of how Caltrans can work collaboratively with its partners in pursuing cost-effective transportation system strategies.”*

*“In addition, Caltrans’ system of trunk highways only functions in conjunction with local street and transit networks maintained by all localities. Land use authorities are both affected by and can greatly affect what happens on Caltrans’ facilities as well as on freight railroads and ports. Caltrans should rethink its relations, particularly with regional and self-help entities, but with all parties working in transportation and land use.”*

*SSTI Assessment and  
Recommendations,  
January 2014*

<p><b>6.2. Caltrans should find ways to transfer local-serving roads to local government.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 3, Strategic Partnerships</b></li> <li>• <b>In progress with ongoing work through early 2016</b></li> </ul>
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Caltrans is shifting staff to establish a State Highway Relinquishment Program in the Division of Planning and is refining a list of highways or highway segments that are candidates for relinquishment to local governments.

Caltrans is exploring the feasibility of statutory change to streamline the relinquishment process when both Caltrans and the local entity concur on the terms of the transfer. A proposal to do this is included in the Governor’s proposed budget for 2015-16.

Caltrans will consider using the SHOPP and Maintenance Program as funding sources for the costs associated with relinquishments.

Caltrans has adopted an objective, concurrent with the new mission and vision that will help transfer local-serving roads to local governments. Specifically: Assign ownership of transportation facilities, including roads and streets, to the appropriate level of government.

*External involvement: No specific involvement but influence from external stakeholders is likely.*

<p><b>6.3. Caltrans and CalSTA should negotiate coverage for long-term maintenance, resurfacing, and reconstruction costs when locally controlled STIP and LTST funds are used to add capacity to state highways.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 3, Strategic Partnerships</b></li> <li>• <b>In progress with ongoing work through 2016</b></li> </ul>
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Caltrans agrees that preservation should be a primary message (see also recommendation 1.2). Caltrans does not suggest a broad preservation funding mandate at this time for STIP and local transportation sales tax (LTST) funds, but suggests the following to further encourage local funding partnership in the preservation of highway assets.

The CTIP workgroup on Tolling and Pricing made recommendations that would – after associated debt – direct toll lane revenue to maintenance and operations. This would provide drivers who pay the tolls a high standard for preservation of those facilities and provide funding to maintain these new facilities. Caltrans intends to adopt this as department policy and consider options for statutory change to streamline the approval process for new high-occupancy toll lanes.

The CTIP workgroup on the STIP discussed recommendations that would encourage the use of Regional Transportation Improvement Program funds (or regional STIP funds) on preservation through partnering with matching SHOPP funds. This will be discussed further through the development of an asset management plan for the 2016 SHOPP.

The upcoming CTIP workgroup on Transportation Revenue will further explore revenue for preservation. One issue noted for discussion in the February 2014 CTIP report was to consider a constitutional amendment that would lower the voter threshold for local sales tax measures in association with new requirements that the future measures set aside funding to preserve any new investments.

*External involvement: CTIP.*

## 7. FOCUS ON FREIGHT.

<p><b>7.1. CalSTA and Caltrans should create a clear focal point for freight policy and planning within the department.</b></p>
<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 2, Smart Investment and Resource Alignment</b></li> <li>• <b>In progress with ongoing work through 2015</b></li> </ul>

*“Freight mobility has become an increasingly important transportation policy concern at the national level and in many states and regions in the country. California is uniquely positioned given the size of its economy and its role in global logistics to provide targeted state policy attention and resources to improve the state’s freight network. Caltrans (or CalSTA) should build upon the MAP21 requirements for a national freight network and continue to emphasize the need for investments in inter-regional corridors that will benefit freight movements.”*

*SSTI Assessment and Recommendations, January 2014*

Within the Planning Division, Caltrans has created a separate Office for Freight Planning, and Multimodal System Planning.

Caltrans will also implement the California Freight Advisory Committee Recommendations to initiate the CTIP subgroup on Freight with a focus on implementing the Committee’s recommendations.

The Governor signed Senate Bill 1228, which continues the Transportation Corridors Investment Fund (TCIF) Program beyond the Proposition 1B bond-funded program.

*External involvement: No specific involvement but influence from external stakeholders is likely.*

<p><b>7.2. California’s Freight and Rail Plans should identify the major transport corridors, whether highway, rail, or air, that should receive significant attention from Caltrans in the next decades.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 2, Smart Investment and Resource Alignment</b></li> <li>• <b>In progress with ongoing work through 2015</b></li> </ul>
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The identification of major multimodal goods-movement transport corridors is part of the California Freight Mobility Plan released December 31, 2014. The plan identifies priority freight corridors.

Under federal law, MAP-21, the federal government has created the National Freight Network, which is an input to the California Freight Mobility Plan.

*External involvement: California Freight Advisory Committee.*

## 8. COMMUNICATE MORE EFFECTIVELY.

**8.1. Caltrans should communicate around the performance metrics that are used to monitor progress against organizational goals.**

- **Assigned to Workgroup 5, Communications**
- **In progress with ongoing work through early 2016**

The desired outcome for this recommendation is positive news stories and feedback from stakeholders, legislature, internal employees and other departments. The summer issue of the Mile Marker included an article on the new mission, vision and goals. Caltrans received feedback from readers and will consider revisions to the content to provide performance reporting and meet reader expectations. The Mile Marker will be published quarterly starting in 2015.

*External involvement: No specific involvement anticipated, but influence from external stakeholders is likely.*

**8.2. To effectively communicate on performance, Caltrans should develop capacity in “performance journalism.”**

- **Assigned to Workgroup 5, Communications**
- **In progress with ongoing work through early 2016**

The desired outcome for this recommendation is positive news about things like maintenance and rehabilitation in addition to the traditional coverage related to projects. Caltrans implemented a “performance journalism” system in which Caltrans tells the department’s story and routinely publicizes examples of how the department is achieving or failing to achieve its mission and vision. This will include developing a style template for reports and processes for report reviews.

Beginning in 2015, Caltrans District press offices will provide at least one performance journalism news story per month to headquarters. Stories should be focused on things that the department is doing effectively or not effectively in the areas of sustainability and environmental protection, improving mobility with an emphasis on fix it first, and improving safety. The idea is to get the focus on project-specific news events and focus on the day to day activities of maintenance, traffic, environmental protection and safety.

*External involvement: None anticipated.*

*“Caltrans’ external communications reflect the department’s limited vision with respect to the role it intends to play in the state’s transportation program, the policies it intends to implement, the goals and objectives it intends to achieve, and the initiatives it intends to undertake. With the notable exception of successful project deliveries, Caltrans often simply lacks a compelling story to tell. Caltrans needs to develop an effective communications strategy that is transparent, promotes accountability and emphasizes the benefits that Caltrans brings to the state—and describes how it is improving its practice over time. This strategy needs to be coordinated closely with the CalSTA and its communications effort.”*

*SSTI Assessment and Recommendations,  
January 2014*

<p><b>8.3. Caltrans should work to ensure its communications with local stakeholders are genuine and two-way.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 5, Communications</b></li> <li>• <b>In progress with ongoing work through early 2016</b></li> </ul>
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The desired outcome is increased public participation in Caltrans planning activities, positive feedback from the public, and routine conversations between districts and local stakeholders and media. Caltrans developed four draft communication plans in 2014: External, Legislative, Stakeholders and Internal (ELSI). These plans will be components of a final Communication plan in spring 2015 and start the development of a social media plan, revisions to the Caltrans website, and “best practices” for community engagement at the district level.

Caltrans and CalSTA held a statewide local agency teleconference call to update partners and stakeholders on the CIP. The project website has been launched and visitors were encouraged to provide feedback through the website. Caltrans and Agency will be personally meeting with all Caltrans district offices to carry the message of reform and discuss how employees can get involved.

Additional outreach to the local stakeholders on the new mission, vision and goals was completed in fall 2014. A 2-week survey resulted in over 1,600 responses from staff and stakeholders and Caltrans will examine ways to gather additional employee and stakeholder feedback and input on the revised Strategic Plan and improvements resulting from CIP. Caltrans will seek advice from DMV and their program to survey employees on a bi-annual basis.

*External involvement: Planned involvement with DMV.*

## 9. MANAGE FOR PERFORMANCE

<p><b>9.1. Caltrans should set enterprise-wide and team-specific goals, both short- and long-term.</b></p>
<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 1, Performance Management and Human Resources</b></li> <li>• <b>For Enterprise-wide goals: Completed June 2014</b></li> </ul>

Caltrans adopted a new, modern mission and vision, along with corresponding organizational goals, in June 2014, and adopted strategic objectives aligned with those goals in August 2014. These elements now are fully consistent with the State’s planning and policy objectives and set the course for Caltrans’ role in California’s transportation system.

***For Team-specific goals: In progress with target completion by March 2015***

Once Caltrans develops its new Strategic Plan (presumably by March 2015 if performance measures are finalized by then), Workgroup 1 will engage with executive

*“Effective management measures goal achievement and establishes a system of accountability within the organization. However, with rapid changes in technology, evolving skill sets of new staff—and, in Caltrans’ case, additional opportunities in the policy environment—effective management also requires a commitment to flexibility that will allow the department to adapt to changing circumstances. A “manage to performance” approach leads to continual organizational improvement over time.”*

*SSTI Assessment and Recommendations, January 2014*

management representing the program areas and districts within Caltrans to have them develop team-specific goals; i.e., goals that are aligned with the enterprise-wide goals (and corresponding measures), but that are at a program/district level and that are designed to be used to assess the performance of managers, supervisors and staff conducting work in their respective parts of the organization. The development of team-specific goals and measures will strengthen accountability throughout the organization and emphasize the linkage between organizational goals and actual work performed by employees.

External involvement: Caltrans indicates they consulted local partners throughout the previous, year-long effort during 2013 to develop organizational goals.

<p><b>9.2. Caltrans should devise metrics to track the organizational goals.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 1, Performance Management and Human Resources</b></li> <li>• <b>In progress with target completion by January 2015</b></li> </ul>
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Caltrans has established a Goal Team for each of the five newly adopted goals, and each team has been assigned the responsibility for developing measures for each of the strategic objectives corresponding to the goals. All Goal Teams are considering other states' DOT measures, MPO measures, CTIP measures, CTP 2040 potential measures (the majority of which were endorsed by the Strategic Growth Council and SANDAG) and MAP-21 measures (paying particular attention to not contradicting the concepts proffered in the letter sent from several CA State Agency Secretaries to the US DOT). Additionally, Caltrans is surveying external stakeholders and Caltrans employees to gain input and then will genuinely consider that input and thoughtfully discuss alternatives.

The Goal Teams have a general work plan that calls for Workgroup 1 and the SDG to review a draft of the measures prior to Caltrans' Executive Board's review. The timeline for full measure development currently is being established, and it is unknown whether that timeline will affect Caltrans' original plan for other strategic plan elements, such as actions to complete the objectives and the identification of enterprise risks, targets, and responsible persons. One possible schedule would have the measures come before CalSTA in February 2015 and go before the Executive Board that same month, thus allowing for the measures to be finalized by March 2015. Once the measures have been formally approved, they will be communicated to all employees, and will serve to help push performance management throughout the organization; i.e., by having measures properly aligned with organizational goals and objectives, and shining a light on poor performance, managerial and staff emphasis will be placed on strategies and activities that positively affect those measures and their targets.

Once the organizational performance measures are finalized, Workgroup 1 will engage with Caltrans' Office of Strategic Management to assess the system the Office is developing to ensure the organizational performance measures are regularly reported and monitored for status and periodically assessed for appropriateness. The Office has indicated that Caltrans plans to use a dashboard-type reporting mechanism and to hold quarterly meetings in which Goal Team leads and executive management discuss the status of critical performance measures and causes for any negative trends. Also, the appropriateness of the measures and targets are to be discussed periodically (no less than annually) in the quarterly meetings. As a result of this process, managers and supervisors are compelled to make decisions based on performance data, and staff is not only driven by the same, but is inspired to take appropriate risks and be innovative. Additionally, there will be a greater understanding by all employees as to how their work contributes to the achievement of organizational goals, thereby contributing to their improved motivation and job satisfaction. Further, in conjunction with team-specific goals and measures that are aligned with organizational goals and

measures, managers and supervisors throughout the organization will have goals for which they are responsible individually and will have targets by which their individual performance can be assessed.

*External involvement: Directly, external stakeholders (e.g., various external transportation, community, economic, environmental and political stakeholders) will be surveyed for input (along with Caltrans employees). Indirectly, measures developed and endorsed by entities external to Caltrans will be assessed for suitability.*

<p><b>9.3. The Caltrans director should assign each of his direct reports responsibility for a subset of the goals, and an associated set of numerical metrics.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 1, Performance Management and Human Resources</b></li> <li>• <b>Completed June 2014</b></li> </ul>
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As indicated under Recommendations 9.1 and 9.2, Director Dougherty has established Goal Teams, the leads for which have been assigned responsibility for the organizational goals, strategic objectives and corresponding performance measures. Each of the Goal Teams is co-led by a member of executive management at Caltrans Headquarters and a Caltrans District Director.

This assignment of responsibility for specific organizational goals and the development of corresponding performance measures provide a mechanism by which executive managers' performance can be assessed. Likewise, with the development of team-specific goals and measures that are aligned with organizational goals and measures, managers and supervisors throughout the organization will have goals for which they are responsible individually and will have targets by which their individual performance can be assessed.

*External involvement: None anticipated.*

<p><b>9.4. Measures should evolve.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 1, Performance Management and Human Resources</b></li> <li>• <b>In progress with target completion by December 2015 (as part of the strategic planning process in 2015)</b></li> </ul>
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As indicated for Recommendation 9.2, once the organizational performance measures are finalized, Workgroup 1 will engage with Caltrans' Office of Strategic Management to assess the system the Office is developing to ensure the organizational performance measures are regularly reported and monitored for status and periodically assessed for appropriateness. The Office has indicated that Caltrans plans to use a dashboard-type reporting mechanism and to hold quarterly meetings in which Goal Team leads and executive management discuss the status of critical performance measures and causes for any negative trends. Also, the appropriateness of the measures and targets are to be discussed periodically (no less than annually) in the quarterly meetings, which can be considered part of the strategic planning process. In this process, Caltrans can continue to ensure that organizational performance measures continue to be aligned not only with organizational goals, but also with the State's planning and policy objectives. Moreover, periodic assessment allows Caltrans to begin with measures that current data capabilities can support, and then steadily evolve to reflect better data and ever-stronger departmental alignment with policy goals.

*External involvement: No specific involvement anticipated, but influence from external stakeholders is likely.*

<p><b>9.5. Caltrans should provide financial incentives for manager performance.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 1, Performance Management and Human Resources</b></li> <li>• <b>In progress with target completion by December 2015</b></li> </ul>
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Implementation of this item presents challenges due to existing civil service law and policy, and coordination with, and approval by, multiple control agencies. Presently, there is no provision in law or public policy that provides for “pay for performance” methodology. Forays in this arena by California State officials in the late 1990s failed to produce long-lasting application. As Caltrans is subject to the laws, regulations and policies set by the California Department of Human Resources (CalHR) and the State Personnel Board (SPB), along with other government bodies, Caltrans cannot provide financial incentives for managerial performance without policy-level support by control agencies. The necessity of presenting a compelling case and galvanizing support by these support agencies adds additional steps to full implementation of this item. Additional input will likely come from unions for excluded employees.

Initial conversations with CalHR have occurred. Following concept approval by CalHR, Caltrans will develop a methodology and proposed process. While the goal of connecting performance outcomes with financial incentives has positive potential, creating such a structure in California State civil service will likely require robust support by CalHR, Department of Finance (DOF), and the Governor’s Office. Towards that end, Caltrans will develop a Governor’s Office Issue Memorandum (GOIM) to obtain support for this initiative.

This recommendation also considers non-financial incentives for manager performance, such as managerial training programs and regular 360-degree evaluations. In early 2014, Caltrans reintroduced the Management and Leadership Training Programs, a three-phase managerial development class facilitated by CSUS. The courses include a 360-degree evaluation component. Already, 152 employees have completed training, and another 173 are enrolled in current tracks. Outcomes of these training courses are visible in graduating managers that adhere to a common set of values and business framework. The executive and managerial selection process consists of examination interviews, which typically contain questions pertaining to this shared management framework. Expecting to train roughly 300 employees annually based on its current funding level, Caltrans is rolling out additional modules in 2015 to broaden the pool of managers incentivized by positive performance, if not financial augmentation.

*External involvement: Governor’s Office, CalHR, Unions for Excluded Employees, and DOF.*

<p><b>9.6. Caltrans should dedicate resources to push performance-based management throughout the organization.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 1, Performance Management and Human Resources</b></li> <li>• <b>In progress with target completion by June 2015</b></li> </ul>
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Now that the SDG has sanctioned Lean 6-Sigma as the primary performance improvement methodology that Caltrans will deploy to improve its effectiveness and performance going forward, discussions have ensued with Governor’s Office of Business and Economic Development (GO-Biz) regarding the six-month training program that they are sponsoring. At a recent Caltrans Executive Board meeting, GO-Biz representatives made a presentation describing the training, which entails the completion of projects that improve the efficiency and operation of processes within the department. Caltrans proposed four projects and each one was approved by Go-Biz for the program. The projects are 1) Discrimination Complaint Process; 2) IT

Procurement Process; 3) Property Accounting Process; and 4) Traffic Collision Reporting Process. The training is scheduled to begin in February 2015, and Caltrans will be required to dedicate resources in the form of “champions” and “green belts” for the duration of the program. Individuals who go through this training will be able to use their newly acquired skill sets, including complex analytical and statistical tools that identify waste and inefficiencies in processes, on other performance improvement projects in the future. Consistent use of this overarching performance improvement methodology will contribute to performance-based management being an expected part of everyday work in Caltrans.

Additionally, Caltrans also has engaged Unleashing Leaders, Inc., a training contractor currently providing management and leadership development training to Caltrans, to use them for Lean 6-Sigma training. The contractor has provided an executive-level overview to Caltrans Administration Division Chiefs and their top management, along with several other Caltrans Deputy Directors and Division Chiefs. Additional training sessions were conducted with Caltrans District Directors in winter 2014. Because this training could begin sooner than the GO-Biz training, this training would familiarize individuals who would then be able to use their newly acquired skill sets on performance improvement projects. This training, initially, would be focused on administrative processes only.

Another example of dedicating resources to push performance-based management throughout the organization is the process described under the actions to address Recommendation 9.2: Caltrans’ Office of Strategic Management’s anticipated system to ensure organizational performance measures are regularly reported and monitored for status and periodically assessed for appropriateness. As stated above, the Office has indicated that Caltrans plans to use a dashboard-type reporting mechanism and to hold quarterly meetings in which Goal Team leads and executive management discuss the status of critical performance measures and causes for any negative trends. This process will underscore the need to use performance data in making decisions.

Further, as discussed under Recommendation 9.1, Workgroup 1 will engage with executive management representing the program areas and districts within Caltrans to have them develop team-specific goals; i.e., goals that are aligned with the enterprise-wide goals (and corresponding measures), but that are at a program/district level and that are designed to be used to assess the performance of managers, supervisors and staff conducting work in their respective parts of the organization. As indicated above, the development of team-specific goals and measures will emphasize the linkage between organizational goals and actual work performed by employees, and contribute to performance-based management being an expected part of everyday work in Caltrans.

*External involvement: GO-Biz, CalHR.*

<p><b>9.7. To ensure that union contracts are not violated, goals and performance metrics for non-management personnel could be set at the team level, with the union engaged in the goal-setting effort.</b></p>	<ul style="list-style-type: none"> <li>● <b>Assigned to Workgroup 1, Performance Management and Human Resources</b></li> <li>● <b>In progress with target completion by December 2016</b></li> </ul>
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This recommendation is the partner to 9.5, replacing the focus on managerial incentives with incentives for rank-and-file employees. The recommendation proposes to provide group goal setting and performance appraisals, along with financial incentives (if possible). Implementation of this item will require coordination with, and approval by, multiple control agencies. Caltrans cannot provide financial incentives for performance without policy-level support by control agencies. Additional input will certainly come from

employee unions, and the “meet and confer” process will be undertaken in alignment with collective bargaining agreements.

The goal of connecting performance outcomes with financial incentives has positive potential, and creating such a structure in California State civil service will likely require robust support by CalHR, DOF, and the Governor’s Office. Toward that end, Caltrans intends to develop a GOIM to obtain support of this initiative.

This recommendation also considers non-financial incentives for performance, such as team goal setting and performance metrics. This initiative has begun with the development of performance metrics for strategic objectives on an enterprise-wide level basis; this process includes seeking input from many external partners and all Caltrans employees. Annual performance plans for executive management have been undertaken, with the intent of approaching performance goals through each supervisor’s annual business planning process. Such an effort will galvanize organizational pride in performance and a unified organizational approach. Additional inquiry into non-monetary options will be pursued by this workgroup in spring/summer 2015.

*External involvement: CalHR, Employee Unions (both for represented and excluded employees), and DOF.*

<p><b>9.8. At the same time Caltrans must provide room for innovative actions that further state and department goals.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 4, Innovation, Design Flexibility and Risk Management</b></li> <li>• <b>In progress with target completion by December 2015</b></li> </ul>
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Caltrans and CalSTA are reviewing “Division of Research and Innovation” policies, procedures and best practices to better integrate research and improved practices at Caltrans. This review will focus on appropriate risk taking and design innovation.

*External involvement: SHCC, FHWA, US DOT, Project for Public Spaces.*

<p><b>9.9. Caltrans should re-examine internal relationships and flow of authority to foster accountability and effective collaboration</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 1, Performance Management and Human Resources</b></li> <li>• <b>In progress with target completion by April 2015</b></li> </ul>
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Caltrans consists of twelve districts, two regions, and a number of headquarters policy-setting functions. One of the consistent themes of the SSTI report was the recommendation to remove duplication, and obstacles in Caltrans decision making. Where possible, providing authority at the district level is likely to increase positive relationships with local partners and produce faster decisions. In examining this recommendation, Workgroup 1’s contribution is limited to recommending an organizational paradigm that will best provide for an effective and nimble flow of authority. To do that, we will consult with the Caltrans Executive Board, Lean 6-Sigma practitioners, and external entities such as CalHR, Employee Unions, and DOF. Additionally, we will engage the Organizational Excellence Goal Team and other workgroups in a dialogue about the flow of authority in their specific areas of purview.

*External involvement: CalHR, Employee Unions, DOF, Local Partners, Other workgroups.*

## 10. FOSTER INNOVATION AND CONTINUING EVOLUTION.

### 10.1. Caltrans management and CalSTA should insist on robust implementation of state policies and rely on staff for implementation details.

- **Assigned to Workgroup 1, Performance Management and Human Resources**
- **For New policies: Completed January 2015**
- **For Other elements: In progress with target completion winter 2014 through April 2015**

This recommendation calls for a more efficient delivery of policy and staff expectation guidance, along with an increased investment in staff at all levels for decision-making and flow of authority. Components related to staff decision-making delegation bear similarities to the outcomes described in 9.9, and where appropriate and feasible, those two processes will be merged. Additional efforts have already been made in the realm of policy setting and clear delineation of expected behaviors at all organizational levels.

In summer of 2014, this workgroup:

- Met with representatives from CHP to determine what policies exist in their department. Met with representatives from CalHR to determine if CHP policies can be applied to Caltrans.
- Developed a New Employee Handbook for all new employees at Caltrans, including Employee Expectation memorandum to be signed by all new Caltrans employees. The handbook was released in January 2015.
- Developed a Supervisor/Manager Handbook for all Caltrans supervisors and managers, including Expectation memorandum to be signed by all supervisors and managers. The handbook was released in January 2015.
- Reclassified auditor positions to special investigator positions to ensure optimal skills available to Caltrans management when investigating reported misconduct or lack of compliance with Caltrans policies. Successfully engaged with CalHR and CalSTA to obtain requisite approvals.
- Implemented an internal, anonymous, whistleblower "Ethics Helpline." Staffed by a third-party vendor, this phone- and web-based system will demonstrate to Caltrans employees that Caltrans management stands by their shared organizational values by providing a safe and secure way to report potential ethical violations. This system was implemented in September 2014 with an aggressive marketing campaign, and is being used by employees to report suspected misconduct.

Additional efforts to advance accountability with Caltrans policies will be seen in the deployment of the Caltrans Code of Conduct, a comprehensive guidebook for all Caltrans employees describing appropriate behaviors in the workplace, and a statewide Ethics Training module. Both of these items are scheduled for implementation in spring 2015.

*"At one point, Caltrans was widely acknowledged as the national leader in the development and application of innovative practices, including those related to technology for system management and operations. No longer. Within California, many of the most innovative design and operations strategies are conceived at the regional and local levels. Caltrans' vision statement should recommit to restoring the department as the world's premier location for innovative transportation practices that responds to modern needs and policy, and the department must foster a culture that can live up to that vision."*

*SSTI Assessment and  
Recommendations,  
January 2014*

*External Involvement: CalHR, Employee Unions, DOF, Local Partners, Other workgroups.*

<b>10.2. Caltrans should benchmark practice against best practices elsewhere.</b>	<ul style="list-style-type: none"><li>• <b>Assigned to Workgroup 4, Innovation, Design Flexibility and Risk Management</b></li><li>• <b>Completed December 2014</b></li></ul>
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On October 15 and 16, 2014, two SSTI Advisors visited Caltrans and CalSTA to share best practices in flexible design from their respective state DOT's. A number of insightful takeaways from this visit have been compiled and shared for use by the team for further implementation of the action plan.

In December 2014, FHWA Resource Center will conducted informational training for Workgroup 4 on Practical Design.

External involvement: SHCC, FHWA, US DOT, Project for Public Spaces.

<b>10.3. Caltrans should work to better integrate its research program with improved practice.</b>	<ul style="list-style-type: none"><li>• <b>Assigned to Workgroup 4, Innovation, Design Flexibility and Risk Management</b></li><li>• <b>In progress with target completion by December 2015</b></li></ul>
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Caltrans will recommend Division of Research and Innovation (DRISI) policies, procedures and best practices in 2015. This guidance will better integrate research and provide improved practices in the Department (with a focus on appropriate risk taking and design innovation). DRISI will begin supporting innovative research with implementation planning and assistance, and will use research to advance a broader discussion on innovation within Caltrans.

DRISI is working with the Division of Design on research to identify best practices for evaluating design innovations. Potentially, the research will provide before-and-after studies on the performance of design innovations. Additionally, DRISI is researching performance-based practical design as part of pursuing design flexibility.

*External involvement: SHCC, FHWA, US DOT, Project for Public Spaces.*

<b>10.4. Caltrans' effort to develop an enterprise risk management system should continue and be viewed as a critically important resource for performance-based decision-making.</b>	<ul style="list-style-type: none"><li>• <b>Assigned to Workgroup 1, Performance Management and Human Resources</b></li><li>• <b>For Risk Treatment Methodology: Completed August 2014</b></li><li>• <b>For Integration into Strategic Plan and Performance-Based Management through Goal Teams: In progress with target completion by April 2015</b></li></ul>
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The Caltrans 2013 Enterprise Risk Profile identified the top fifteen categories of risks, each of which contained several specific threats and opportunities. The top risks were mapped against the objectives of the Caltrans Goal Teams and, during the August Executive Board meeting, the Board agreed to assign the Goal Teams the task of identifying appropriate priorities and treatment for the enterprise risks. This assignment will ensure that the strategic planning process is connected to the enterprise risk approach, resulting in a cohesive action plan that maximizes Caltrans' ability to realize its goals and objectives. A risk is defined as "the effect of uncertainty upon objectives," so harnessing the enterprise risks to the strategic actions will enable the performance plans to treat the risks, and the risks to guide the selection of action plans. This holistic, inclusive approach will be continued in future enterprise risk assessment and strategic planning cycles. The Office of ERM provided a set of specific risks to each Caltrans Goal Team lead that will be used in the development of the Caltrans Goal Performance Measures. Risks that are not aligned with the strategic objectives that correspond to the organizational goals or performance measures will have an alternate treatment plan determined and directed by the Goal Teams.

Regular reporting on the status of risk treatment to the Executive Board occurred in April 2014, August 2014, and will continue on a quarterly basis, with regular online reporting of the risk status and treatments. The 2015 risk assessment cycle is scheduled to commence in March of 2015.

In addition to the Caltrans Enterprise Risk Profile, the Office of Enterprise Risk Management (ERM) developed individual risk profiles for each District and Program area, based on risks identified by those groups in the 2013 risk assessment cycle. The individual profiles were published in August 2014, and follow-up risk treatment sessions have been held or are scheduled for North Region, Central Region, District 10, District 3, District 2 and Administration Division. Additional meetings with other districts and programs are anticipated.

The Office of Strategic Management and the Office of ERM are meeting weekly to discuss mutual activities, and have developed a long term planning calendar that projects the risk assessment and strategic plan development cycles, along with other Department-wide initiatives, such as the external employee survey, the employee survey, the Mile Marker, and the MAP-21-based Asset Management plan. Coordinating the timing of these strategic- and performance-related methods should produce a rich, thoughtful planning process that grows more refined in scope with each iteration.

With the overarching direction of the planning process soundly connected with enterprise risk, and work proceeding to translate that connection into performance measures, Caltrans will turn in the months ahead to mainstreaming risk management amongst its employee population. First, however, it must address the issue of its Office of ERM being understaffed. Caltrans has only three dedicated ERM staff for a department of 19,000 employees; in contrast, for example, the state of Washington's DOT has a similarly situated ERM program, with three dedicated ERM staff responsible for a department of 7000 employees. Efforts to expand the size and impact of the Caltrans' Office of ERM are proceeding via the development of a roadmap and outlining future functions, outputs and associated staffing. Augmentation of existing ERM staffing levels will allow for greater organizational adoption, outreach and training.

To deepen the connections between awareness of risk and the effect on objectives, Caltrans has begun research and development of a training program on enterprise risk management. Looking externally to best practices by Washington DOT, Minnesota DOT, the University of California system and other public and private partners, Caltrans is developing a risk framework, policy, training program and ongoing communication plan that is scheduled for completion in spring 2015. In 2013, Caltrans District 11 piloted a risk management class geared toward helping rank-and-file employees evaluate daily risks encountered on the job. The Caltrans Office of ERM will build on that beginning, and add web-based and in-person components, along with customized content for technical disciplines, such as design. Partnering with technical experts in specific functional areas will ensure an integrated, holistic approach to risk

management, as well as offer the opportunity to hone the message for a particular field. When Caltrans was first establishing an enterprise risk management function in late 2012, the Project Delivery Risk Management group was, and will continue to be, a critical partner. In the months ahead, Caltrans will formalize an enterprise risk committee to ensure ongoing interaction between all primary functional areas with responsibility for programmatic or project risk assessments.

Already, awareness of risk as a critical component of decision making is underway:

- In July 2014, at the request of the Caltrans Chief Information Security Officer, the Office of ERM conducted a risk assessment with internal stakeholders regarding the adoption of a new security policy.
- In June 2014, the Division of Mass Transportation and Rail requested and received a programmatic risk assessment in response to audit findings regarding reimbursements made to local counties. The Division is scheduled for a second session to determine risk treatment in October 2014.
- In spring 2014, the Division of Research, Innovation & System Information met several times with the Office of Enterprise Risk Management to discuss the development and inclusion of risk management tools in the selection of research projections.
- In October 2014, the Division of Safety and Management Services will undergo a programmatic risk assessment to identify their top threats and opportunities.

*External involvement: None anticipated.*

<p><b>10.5. Caltrans should improve staff training and workforce development.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 1, Performance Management and Human Resources</b></li> <li>• <b>In progress with target completion by July 2015</b></li> </ul>
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Caltrans has had a dedicated workforce planning function since 2008, and also enjoys a reinvigorated training program. Working collaboratively, these functions have identified multiple areas of training needs and implemented training according to those workforce needs. In early 2014, Caltrans reintroduced the Management and Leadership Training Programs, a three-phase managerial development class facilitated by California State University Sacramento (CSUS). The courses include a 360-degree evaluation component. Already, 152 employees have completed training, and another 173 are enrolled in current tracks. Outcomes of these training courses are visible in graduating managers that adhere to a common set of values and business framework. The executive and managerial selection process consists of examination interviews, which typically contain questions pertaining to this shared management framework. Expecting to train roughly 300 employees annually based on its current funding level, Caltrans is rolling out additional modules in 2015 to broaden the pool of managers incentivized by positive performance and a shared vision.

Caltrans follows CalHR's workforce planning model; workforce planning strategies have been developed, proposed, and/or implemented in some manner for most all engaged Caltrans occupational series:

- Accounting
- Electrical Engineer
- Equipment
- Environmental Planner
- Transportation/Civil Engineer
- Information Technology
- Legal

- Maintenance
- Right-of-Way Agent
- Transportation Planner
- Transportation Surveyor

Taken together, these occupational areas comprise over 90 percent of the Caltrans workforce.

The Department’s approach to succession planning is predicated on developing managerial and leadership competencies within each respective occupational series and along their career ladders. Senior-level engineers, transportation planners, environmental planners, right-of-way agents, administration classes, and attorneys are the primary classifications from which our leadership is ultimately selected.



Workforce planning Strategies implemented as a direct result of Workforce Planning efforts at Caltrans:

- Rebranding “Administrative Skills Certificate” Program to “Essentials 4 Excellence” and orchestrating a department-wide marketing push to broaden the appeal of this highly valuable training for employees. The main impetus was to make the curriculum more accessible to the sizeable technical and engineering functions within Caltrans.
- Revamping of New Employee Orientation training to more effectively and efficiently onboard new staff.
- Creating a Mentoring Handbook that contains modules and tools to assist knowledge transfer at the local level.
- Establishing Customer Service training to further enhance communication and collaboration between the myriad customer relationships among and within the department.
- Creating the Changing Lanes to Supervision course to help educate rank and file on the path and expectations of becoming a manager/supervisor.
- Reinstating the Leadership Training Program and the Management Training Program series for middle management that provides demonstrated benefits for employee upward mobility and succession planning.
- Drafting a decision document (currently under review) for the reinvigoration and broader administration of Engineering Rotational Program.
- Developing and publishing the Knowledge Transfer (KT) Guidebook and KT intranet web portal, which provides an array of information and resources related to knowledge management.

Managers and supervisors can reference materials here to discover various techniques and tools to assist in capturing and sharing institutional know-how, particularly in the area of tacit knowledge, which involves more informal and unstructured types of knowledge that is exceedingly difficult to extract and transfer (soft skills, personal experience, subjective situational judgments, etc.).

- Developing and publishing the Road to Motivation Guidebook and related intranet web portal, which highlights employee engagement principles and the importance such dynamics play in retaining staff and maximizing their performance potential. Accompanying these efforts, a training presentation has also been developed and is being administered to programs and districts across the State to help further the initiative and impart the ideals and concepts in a more local, interactive setting.

Workforce planning’s primary obstacle continues to be the engagement of departmental leaders in the implementation of identified solutions. Workforce and succession planning are key components of Caltrans’ new goal of “Organizational Excellence.” Performance measures will be developed that home in on the robust implementation of workforce planning solutions. A report on the breadth and depth of the implementation will be completed by July 2015.

Recurrent challenges in maintaining adequate staffing to these areas persist. When created in 2008, Workforce Planning enjoyed three dedicated analysts plus supervisory positions. In 2014, only one analyst is dedicated to workforce planning. The training program has experienced similar cuts, though not as grave. If Caltrans is to truly embrace workforce planning, succession planning and training, resources must be provided to deploy these programs.

*External Involvement: CalHR, DOF*

<p><b>10.6. Caltrans should strike the right balance between the cost and benefit of national engagement for Caltrans staff.</b></p>	<ul style="list-style-type: none"> <li>• <b>Assigned to Workgroup 1, Performance Management and Human Resources</b></li> <li>• <b>In progress with target completion by July 2015</b></li> </ul>
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Caltrans’ ability to leverage national best practices, as well as to grow as a world leader in transportation, depends upon its ability to adequately engage national partners. The balance between appropriate use of public dollars and commensurate levels of national engagement is a challenge faced by all public entities. Citizens want (and deserve) to know that their tax revenues are used to bolster the State’s transportation system, and investments in national engagement need to be carefully considered against fiscal public duty. This workgroup proposes to identify those national research, training and policy development opportunities that present the most potential benefit to California from Caltrans staff participation (TRB/NCHRP, AASHTO, SHRP2 implementation, etc.). Additionally, Caltrans will reach out to other states with effective engagement efforts, as well as FHWA/FTA, TRB/NCHRP. The development of clear and convincing arguments for Caltrans participation in the targeted opportunities will help make decisions about expenditures of public funds with the greatest level of awareness of the benefits of such national engagement. Caltrans will also identify opportunities for funding support for national engagement (e.g., NCHRP research panels, AASHTO/SHRP).

*External Involvement: Governor’s Office, FHWA, NTSB, AASHTO, WAASHTO.*

## Appendix A – Mission and Vision

## **MISSION**

Provide a safe, sustainable, integrated and efficient transportation system to enhance California's economy and livability.

## **VISION**

A performance-driven, transparent and accountable organization that values its people, resources and partners, and meets new challenges through leadership, innovation and teamwork.

## **GOALS**

### **SAFETY AND HEALTH**

Provide a safe transportation system for workers and users and promote health through active transportation and reduced pollution in communities.

### **STEWARDSHIP AND EFFICIENCY**

Money counts. Responsibly manage California's transportation-related assets.

### **SUSTAINABILITY, LIVABILITY AND ECONOMY**

Make long-lasting, smart mobility decisions that improve the environment, support a vibrant economy, and build communities, not sprawl.

### **SYSTEM PERFORMANCE**

Utilize leadership, collaboration and strategic partnerships to develop an integrated transportation system that provides reliable and accessible mobility for travelers.

### **ORGANIZATIONAL EXCELLENCE**

Be a national leader in delivering quality service through excellent employee performance, public communication, and accountability

## Appendix B – Goals and Strategic Objectives

## 2015 Caltrans Goals and Objectives

Goal: Safety and Health	
Goal Intent	Strategic Objectives
Provide a safe transportation system for workers and users and promote health through active transportation and reduced pollution in communities.	Zero worker fatalities.
	Reduce employee injury and illness rates.
	Reduce user fatalities and injuries by adopting a “Toward Zero Deaths” practice.
	Promote community health through active transportation and reduced pollution in communities.
Goal: Stewardship and Efficiency	
Goal Intent	Strategic Objectives
Money counts. Responsibly manage California’s transportation-related assets.	Effectively manage transportation assets by implementing the asset management plan, embracing a fix it first philosophy.
	Effectively manage taxpayer funds and maximize the use of available financial resources.
	Efficiently deliver projects and services on time and on budget.
	Effectively Manage Operation of the Transportation System.
	Assign ownership of transportation facilities, including roads and streets, to the appropriate level of government.
Goal: Sustainability, Livability and Economy	
Goal Intent	Strategic Objectives
Make long-lasting, smart mobility decisions that improve the environment, support a vibrant economy, and build communities, not sprawl.	PEOPLE: Improve the quality of life for all Californians by providing choice in alternatives to single occupant car trips, increasing accessibility to all modes of transportation and creating transportation corridors not only for conveyance of people, goods and services, but also as livable public spaces.
	PLANET: Reduce environmental impacts from the transportation system with emphasis on supporting a statewide reduction of greenhouse gas emissions to achieve 80% of 1990 levels by 2050.
	PROSPERITY: Improve economic prosperity of the State and local communities through a resilient and integrated transportation system.

## 2015 Caltrans Goals and Objectives

Goal: System Performance	
Goal Intent	Strategic Objectives
Utilize leadership, collaboration and strategic partnerships to develop an integrated transportation system that provides reliable and accessible mobility for travelers.	Improve travel time reliability for all modes of travel.
	Reduce peak period travel times and delay for all modes through intelligent transportation systems, operational strategies, demand management and land use/ transportation integration.
	Improve integration and operation of the transportation system.
	Increase the number of complete street features on state highways that are also local streets in urban, suburban, and small town settings.
	Develop integrated corridor management strategies for those of highest statewide significance.
Goal: Organizational Excellence	
Goal Intent	Strategic Objectives
Be a national leader in delivering quality service through excellent employee performance, public communication, and accountability.	Promote a positive work environment and implement a management system to maximize accomplishments, encourage innovation and creativity, and ensure staff performance is aligned with department and state strategic goals.
	Continuously increase customer satisfaction.
	Employ Lean 6-Sigma to reduce waste in department operations and decision processes and to ensure resources are used effectively.
	Improve internal and external communication to better demonstrate professionalism and service levels to the public and other stakeholders, and to positively affect employee morale, including use of the Mile Marker as a performance journalism tool.
	Cultivate a culture that encourages effective identification, management and communication of enterprise-wide risks, ethical conduct, and workforce planning efforts across all levels of the Department.
	Improve collaborative partnerships with agencies, industries, municipalities and tribal governments and advance national engagement with the transportation research and policy committees.

