



# LOUISIANA DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT STRATEGIC IMPROVEMENT PLAN

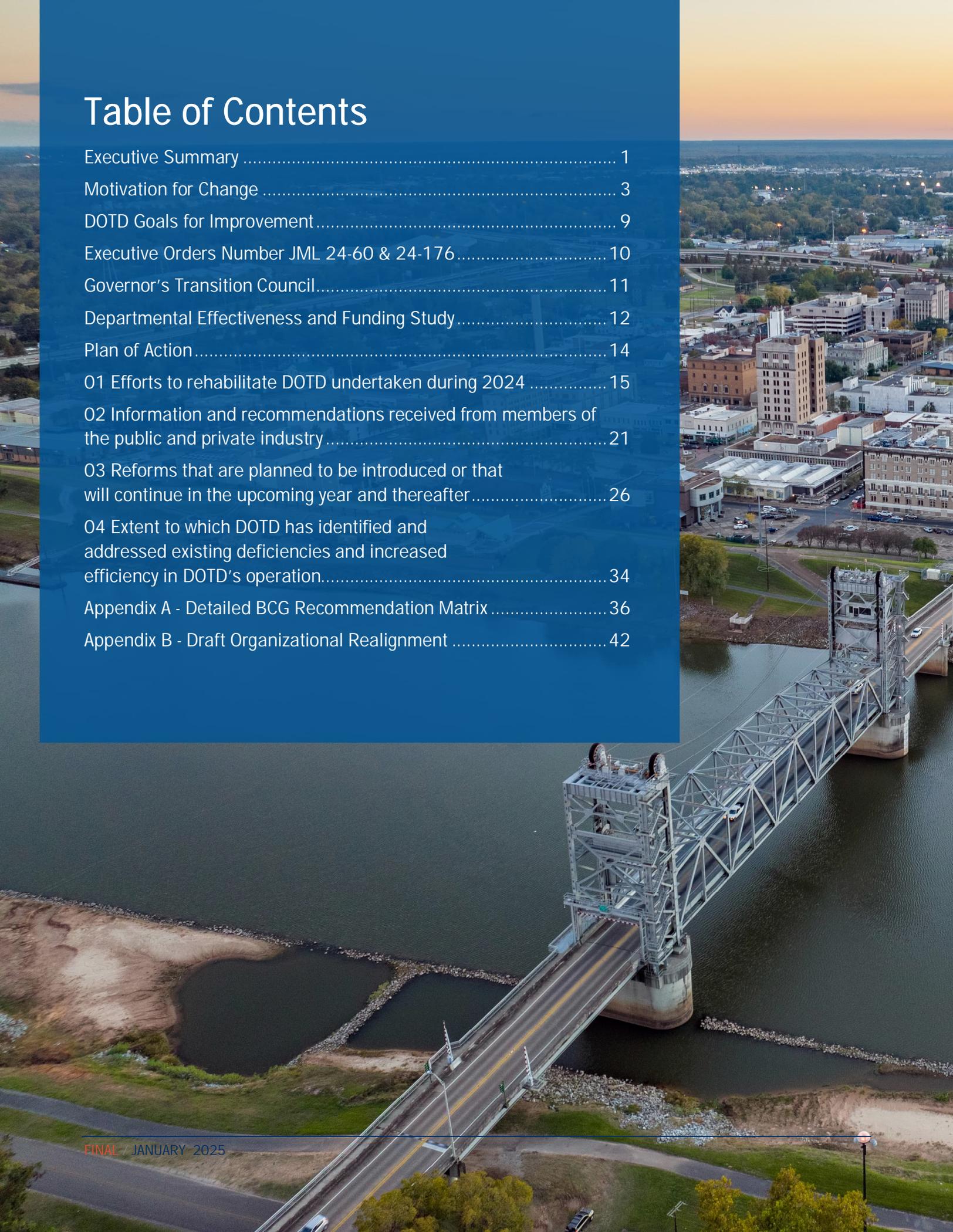
A BLUEPRINT FOR ENHANCED EFFICIENCY, MODERNIZATION, AND ACCOUNTABILITY

JANUARY 2025



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# Executive Summary

## Harnessing the potential of the DOTD

### Motivation for Change

DOTD recognizes the need to act decisively to rebuild the trust and confidence in the Department that has eroded over the years. DOTD has already launched efforts to make comprehensive changes to the way it operates and delivers critical infrastructure projects throughout the State.

This need for transformation, and the path to accomplish it, are the central focus of DOTD. Guided by the Governor’s Transition Council priorities and Executive Orders, the Departmental Effectiveness and Funding Study conducted by Boston Consulting Group and the challenges and deficiencies identified internally, DOTD has committed to a Strategic Improvement Plan designed to enhance public trust, deliver tangible benefits and solidify its role with respect to project delivery within the State.

<b>Efficiency</b> through enhanced tools, processes, technology and organizational updates	<b>Reliability</b> by creating systems and leveraging resources that drive on-time and on-budget project delivery	<b>Transparency</b> through enhanced communication and opportunity for stakeholder input
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### Defining Success

Simply put, DOTD will do what it says it will do. On-time and on-budget will be the standard, and DOTD will be transparent and communicate clearly. DOTD will be a best-in-class transportation agency, and use taxpayer resources efficiently and effectively

## Core Areas for Meaningful Change

### An outcome driven approach

For some time, DOTD has faced significant challenges in key operational areas that have hindered its ability to fulfill its responsibilities and accomplish its mission. While the issues that have compromised DOTD’s ability to operate efficiently and effectively can manifest in many ways, many can be traced to several core areas that need to be addressed to optimize the agency’s operations.

<b>Planning</b> Long-term planning, improved data governance and quality, consistent project prioritization, equitable resource allocation	<b>Policies and Procedures</b> Reliability in published letting list, consistent application of polices, increased transparency, and enhanced communication	<b>Legal Compliance</b> Comprehensive review and update of all rules, policies and procedures for compliance and conformity	<b>Personnel</b> Common sense updates to reporting lines, increased accountability through KPIs and focus on workplace culture	<b>Funding</b> Collaborative solutions to identify and implement sustainable, predictable, and sufficient funding sources
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## Key Initiatives to drive efficiency, reliability, and transparency

Over the course of the past 12 months, DOTD has developed a series of broad goals to address many of the interrelated challenges it has identified. These goals include (1) On-time Project Delivery; (2) Driving Statewide Economic Development; (3) Creating a Culture of Accountability; (4) Honest and Transparent Communication; and (5) Common Sense Organizational Re-Alignment.

In pursuit of these goals, DOTD has established a Transformation Office and commenced a number of efficiency and improvement initiatives that will help to transform and modernize the agency.

### Initiatives Commenced in 2024

- Project Delivery Process Optimization
- Data Governance Review
- Organizational Realignment
- Bridge Replacement Program Enhancement Plan
- “On-the-shelf” Project Plans (100+ Projects)
- Advanced Resilience Improvement Plan
- Access Permit Process Improvements
- Created New DOTD Website

### Initiatives Planned for 2025

- Continued Organizational Realignment
- Project Viewer Portal Development
- Roadway Work Request Development
- Project Prioritization Improvement Plan
- Grant Pursuit & Coordination Efforts
- Key Performance Indicator (KPI) Initiative
- Right of Way Permit Process Improvements
- Comprehensive Rules, Manual, and Policy Review
- Rural Transportation Planning



## Motivation for Change

The Louisiana Department of Transportation and Development (DOTD) is responsible for developing and implementing programs that assure the adequacy, safety, and efficiency of transportation within the State of Louisiana (the State).

For some time, DOTD has faced significant challenges in key operational areas that have hindered its ability to fulfill its responsibilities and accomplish its mission. While the issues that have compromised DOTD's ability to operate efficiently and effectively can manifest in a variety of ways, most can be traced to several core areas that must be addressed to optimize the agency's operations.



## Planning

Effective planning is essential for the successful development, operation, and maintenance of the State's transportation infrastructure. DOTD's Office of Planning is charged with gathering and analyzing data pertaining to the State's transportation systems and developing strategic plans and programs that consider, among other things, multimodal issues, bridge and pavement management, congestion, and related matters. The Office of Planning also develops and maintains the Highway Priority Program (HPP), which is designed to ensure DOTD's highway projects align with the wants and needs of the citizens who live, work, or travel across the State.

Since planning activities lay the groundwork for the projects DOTD will deliver, deficiencies in this area can directly affect the agency's ability to adequately address evolving transportation needs. In addition, inconsistent or insufficient resource allocation can subvert the project selection process, preventing delivery of the HPP in an efficient and effective manner. DOTD has identified specific planning challenges which include:

- **Long-term Planning** - DOTD's focus upon long-range goals has gradually shifted in recent years to immediate needs, legislative directives, and local concerns rather than a holistic view on the adequacy, safety, and efficiency of the State's transportation systems. While the causes of this diversion have largely arisen outside the Office of Planning, the resulting impacts have directly affected the agency's planning process and impeded its ability to correct course. As a result, the agency's existing Long-Range Transportation Plan centers primarily upon broad, federally mandated metrics rather than a project-specific plan for the improvement of Louisiana's transportation infrastructure.
- **Insufficient Data Analytics for Proper Decision Making** - A core challenge in DOTD's planning activities is the inability to convert the vast amount of data gathered by the agency into useful information capable of enabling informed decisions. In some instances, relevant data is incomplete, inaccurate, or obscured in a manner that disguises deviations from legal or other requirements that would otherwise be apparent.

As an example, there is a statutorily imposed limitation upon the size of the State Highway System that caps the length of all roadways included in the system at 16,675 miles. In 2016, the amount of existing State Highway miles already slightly exceeded this cap at 16,677 miles. This number swelled to 17,042 miles by 2022 in the absence of any effort to reign in its expansion. While this growth was reflected in information provided to the federal government, it was never sufficiently reported internally or to stakeholders within the State so a plan could be developed to address the growing exceedance. Thus, while DOTD justifiably prides itself on data-driven decision-making, these decisions, in some instances, are made based upon data that may not accurately reflect current conditions.

- ***Fragmented and Inconsistent Prioritization of Projects*** - DOTD's project prioritization process can be unclear and appear inconsistent with the concerns of local residents or other stakeholders. The lack of a clear, transparent framework for evaluating and selecting projects has led to situations where funding is allocated based on political influence rather than objective assessments of need or potential benefit. As a result, some projects advance at the expense of higher-priority initiatives, leading to inefficiencies in the allocation of limited resources. Historically, this dynamic has had the added consequence of making the information presented in the State's annual HPP increasingly unreliable.
- ***Inefficient Resource Allocation and Funding Gaps*** - DOTD often faces significant challenges with resource allocation and securing adequate funding for transportation projects due to fluctuating federal funding levels, an inconsistent approach to securing available federal grant funding, State budget shortfalls, and competition for limited resources. The agency's planning process is significantly hampered by such financial constraints, further impairing DOTD's ability to prioritize and complete essential projects, leaving critical infrastructure in disrepair or underdeveloped.

### Policies and Procedures

DOTD's policies and procedures are intended to ensure that projects are completed efficiently, on budget, and in compliance with applicable law. However, several interrelated deficiencies in these areas have led to inefficiencies, delays, and complications in delivering transportation projects.

- ***Unreliability in Project Delivery and Letting*** - One of the most significant problems faced by DOTD is inconsistency and inefficiency in the delivery and execution of its transportation projects. Delays in project timelines, cost overruns, and incomplete or poorly executed infrastructure projects occur frequently. These issues stem in part from a lack of accountability at various stages of project implementation, often with a disconnect between DOTD's planning phases and actual execution, leading to missed deadlines and increased expenditures. However, issues can also be attributed to lack of adequate resources, both with respect to tools for project management, data systems to make informed decisions, and outdated or conflicting processes that impact both design and implementation of DOTD's project pipeline.
- ***Inconsistent Application of Policies and Standards*** - Another major challenge within DOTD is the inconsistent application of policies, procedures, and standards – both in the nine districts spread

across the State, and within DOTD headquarters. While the agency has historically promulgated rules and established guidelines for many of the functions it performs, these policies are not always applied uniformly. District offices can sometimes interpret or implement State policies differently, leading to disparities in not only the quality and timeliness of projects, but also in the way contractors formulate their bids. Understandably, this lack of standardization has led to confusion, frustration, and inefficiency.

- ***Lack of Transparency and Public Accountability*** - DOTD has often faced criticism for a lack of transparency in its decision-making processes. Public access to critical project information, including financial data, timelines, and performance metrics is often limited or difficult to obtain. This lack of transparency has created an environment where stakeholders, including the public, local governments, and elected officials, have little visibility into DOTD's operations. In many instances, specific information about a project or other agency matter is not merely unavailable to the public but is difficult and time-consuming for even DOTD staff to corral. The result is the perception that DOTD's decisions are made in isolation, without sufficient consideration of local needs, public concerns, or economic impact.
- ***Insufficient Communication and Coordination*** - Internal communication within DOTD has also been identified as a key area for improvement. A lack of coordination between DOTD's various offices and sections, frequently results in fragmented decision-making that delays project implementation. Furthermore, communication between DOTD and external stakeholders, including elected officials and members of the public, can also be inadequate at times. This lack of coordination and communication can lead to misunderstandings, duplicated efforts, and inefficiencies, in addition to generating frustration amongst individuals who feel their concerns are not being addressed. Historically, the agency has taken a combative stance with individuals from outside the agency that requested information regarding DOTD projects, even when those individuals were public employees or elected officials.

### Legal Compliance

A comprehensive and proactive approach to legal compliance is essential to the fulfillment of DOTD's mission to provide an adequate, safe, and efficient transportation system for the people of Louisiana. Many of DOTD's challenges arise from a failure to comply fully with existing legal mandates out of a desire for expediency, political considerations, or a gradual departure from established practice. It would be impossible to optimize DOTD's operations without acknowledging and addressing the issue of legal compliance. Such issues can create liability, negatively impact project efficiency, and perpetuate the perception of DOTD as an irresponsible agency that lacks transparency and accountability for its actions.

- ***Administrative Procedure Act*** – The Louisiana Administrative Procedure Act (APA) sets forth the process State agencies must adhere to when instituting policies that will have impacts outside the agency. The APA's provisions require solicitation and consideration of public input when formulating agency policies, and the submission of proposed rules to the Legislature for review prior to implementation. Numerous statutes authorize, or in many instances, mandate that DOTD

promulgate rules in accordance with the APA in order to implement legislative directives. These rules are supposed to govern DOTD's interactions with the public and other stakeholders, lending transparency to DOTD's processes and informing these individuals about how DOTD engages in particular transactions and decision-making processes. A review of DOTD's governing statutes and the agency's rules suggests that at some point the agency abandoned efforts to comply with the APA and began to implement or modify its processes and procedures without input from the public or legislative oversight. The agency's deviation from the APA takes several different forms, including the following: (1) in some cases, DOTD has never promulgated rules despite the legislation directing that rules be promulgated; (2) some policies that meet the APA definition of a "rule" have not been promulgated, but are instead inserted into DOTD manuals, allowing them to be implemented or revised without APA compliance; and (3) DOTD rules are at times inconsistent with each other or contradict provisions appearing in manuals DOTD employees rely upon in performing their duties.

- ***Contracting Practices and Segregation of DOTD's Legal Section*** – DOTD's Office of the General Counsel has historically been segregated from the agency's Project Delivery and Project Management functions and personnel, leaving engineers and other non-attorney employees to navigate extensive and complex laws implicated in the design and construction of infrastructure projects, particularly those that utilize Federal funds, without adequate legal advice or oversight. As a result of this organizational and physical separation, there is little assurance that important decisions have a firm basis in law or comply with contractual requirements. There have been numerous instances identified where DOTD has deviated from the laws governing its contracting methods or the provisions of the contracts themselves. At the same time, the separation of DOTD's attorneys from the agency's core functions results in the provision of legal advice by individuals with little understanding of how projects are developed and implemented, causing delays in the provision of legal advice or reviews when requested. The problems created from the lack of sufficient attorney involvement range in size and scope, varying from the execution of change orders that lack legal justification, needlessly increasing project costs, to the execution of construction contracts worth hundreds of millions of dollars prior to the completion of adequate design work or the receipt of necessary approvals.
- ***Mandated Reporting Activities*** – Also contributing to DOTD's lack of transparency is the agency's failure to comply with legislatively mandated reported requirements intended to provide visibility into the agency's operations for legislators and the public alike. Technological limitations in DOTD's existing systems and their inability to communicate with other technologies made available to State agencies often transform what would otherwise be a simple matter of publishing data that is currently tracked and monitored into a laborious and time-consuming exercise. These challenges have resulted in DOTD's failure to meet reporting obligations in a timely manner. One such example can be seen in the inability to publish weekly district maintenance activity reports on the DOTD website as required by statute. What would seem to be a simple matter of having information collected by DOTD's existing systems automatically published to the agency's website is anything but simple. Technological limitations currently prevent such automatic publication of

much of the agency's data, frequently making efforts at transparency onerous and labor-intensive tasks.

## Personnel

DOTD relies heavily on its workforce to fulfill its critical mission of managing the State's transportation infrastructure. However, several persistent issues with personnel management and organizational structure have hindered the agency's ability to operate efficiently and effectively. These challenges, including high turnover rates, inadequate staffing levels, and workforce morale concerns, have contributed to operational inefficiencies, delays in project completion, and difficulty meeting the State's growing transportation needs. Optimizing personnel management and workforce development is essential to ensuring DOTD's ability to meet its strategic goals and provide high-quality service to the public.

- **High Turnover and Staffing Shortages** - One of the most pressing issues facing DOTD is the high turnover rate among its employees, particularly among key technical and engineering staff. Many experienced professionals leave DOTD for better-paying opportunities in the private sector or due to dissatisfaction with career advancement prospects within DOTD. This turnover results in a loss of institutional knowledge, which exacerbates operational inefficiencies, leads to knowledge gaps, and disrupts the continuity of important transportation projects. The negative impacts resulting from frequent turnover can readily be seen in the Office of General Counsel, which has recently experienced a nearly 100% turnover rate, contributing to the legal compliance issues identified above. Similarly, staffing shortages exist throughout the agency but are particularly prevalent in DOTD's Office of Engineering and Office of Operations, where demand often outpaces the supply of qualified personnel. As a result, existing employees are stretched thin, leading to burnout, reduced productivity, and a lack of capacity.
- **Morale and Workplace Culture** - The overall morale and workplace culture at DOTD also presents an area of concern. Low employee morale can negatively impact productivity, creativity, and retention. Factors contributing to low morale include disparities in pay between long-term employees and more recently hired personnel and inconsistencies in the application of DOTD's internal policies and procedures to employees, among others. Additionally, competent and effective employees may feel undervalued or overworked due to DOTD's staffing shortages and high turnover.
- **Organizational Structure** - DOTD's existing organizational structure has also fostered inconsistency in the application of DOTD policies and procedures, leading to delays in project execution and generating consternation among individuals who interact with the agency. For example, there are currently 126 individuals serving as appointing authorities within DOTD representing almost 3% of the total net authorized positions appropriated to DOTD in FY25. In comparison, this percentage in the Department of Children and Family Services and the Division of Administration are 0.5% and 1.3%, respectively. This diffusion of authority among so many individuals has generated inconsistency in the application of policies, reducing efficiency and adversely affecting departmental functions. Similarly, human resources personnel physically

located in DOTD district offices operate outside of the Office of Management and Finance, which is responsible for DOTD's personnel management, resulting not only in discrepancies in the application of DOTD policies but also inconsistent procedures in the handling of disciplinary matters and the like. The reporting structure between certain employees within the Office of Engineering and the Office of Operations, identified by members of the Governor's transition team as an issue of concern, is a long-standing issue that had generated recurrent issues between DOTD and the contractors who construct its projects, resulting in delays and confusion regarding DOTD's policies and procedures.

## Funding

DOTD's ability to execute transportation projects successfully is closely tied to the availability and stability of funding. However, the agency faces a range of challenges related to its funding sources, allocation practices, and financial management. Challenges related to funding have historically rendered the department incapable of meeting the State's transportation needs, negatively impacting safety, mobility, and economic growth throughout Louisiana. These challenges stem from a combination of insufficient, unpredictable revenue streams, the growing costs of infrastructure maintenance and development, and competition for limited State and federal resources. These issues have jeopardized long-term sustainability and adversely affected the efficiency of DOTD's operations and its ability to deliver projects efficiently.

DOTD's primary source of funding comes from Federal and State fuel taxes, which have not kept pace with inflation, population growth, and increasing transportation infrastructure needs. At \$0.20 per gallon, Louisiana's gas tax ranks 43<sup>rd</sup> among US States as of January 2024<sup>1</sup>. Unlike other states, Louisiana also utilizes this primary source of funding for transportation infrastructure to fund the salaries and benefits of DOTD staff, diverting much needed funding away from construction and maintenance. When this atypical use of fuel tax funds is considered, the amount of funding Louisiana makes available to deliver transportation infrastructure is among the lowest in the nation. Additionally, the provision of non-recurring funding, or funding with highly restricted usage, creates significant volatility, resulting in unpredictable cash flows, which leads to project delays, sporadic and insufficient maintenance, and difficulty planning for long-term infrastructure needs.

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<sup>1</sup> Source: Energy Information Administration, *Federal and State Motor Fuel Taxes*

## DOTD Goals for Improvement

Over the course of the past 12 months, DOTD has developed a series of broad goals to address many of the interrelated challenges it has identified which restrict its core mission of developing and implementing safe and efficient transportation within the State. These goals are in direct response to identified deficiencies and required reforms within DOTD.

DOTD's goals for improvement recognize that accountability, transparency, and partnership are essential to the success of the agency and its stakeholders. As an overarching theme, DOTD is focused on setting clear and realistic objectives to deliver on its promises, meet and exceed expectations, and build a track record of reliability. DOTD is committed to implementing measures to regain the confidence of stakeholders and ensure that it is an effective and efficient steward of resources for the people of Louisiana.

1

### On-Time Project Delivery

By streamlining processes, eliminating bottlenecks, upgrading technology and creating a culture of accountability, DOTD will establish a new standard for on-time project delivery which mitigates delays, cost overruns and discrepancies between the list of projects it designs and those that are ultimately implemented. In doing so, the DOTD will build credibility and increase its capacity to timely deliver projects laid out in the Highway Priority Program.

2

### Driving Statewide Economic Development

Capitalizing on recent tax reform measures, DOTD will support economic development across the region, leading to stronger and more resilient communities by building and enhancing strong transportation networks, optimizing the value of the dollars invested. This will be accomplished through close coordination with other State agencies and a prioritization for the most impactful regional projects.

3

### Creating a Culture of Accountability

By creating clear ownership of work product, an understanding of roles and responsibilities, and processes to track and measure performance, DOTD will establish a culture of accountability to restore trust in the agency. DOTD will institute Key Performance Indicators that are directly linked to the agency's core functions.

4

### Honest and Transparent Communication

DOTD will create opportunities for staff and leadership to engage, listen and foster a culture of collaboration, as well as establish a formal communication plan to ensure clear and consistent messaging to all stakeholders.

5

### Common Sense Organizational Re-Alignment

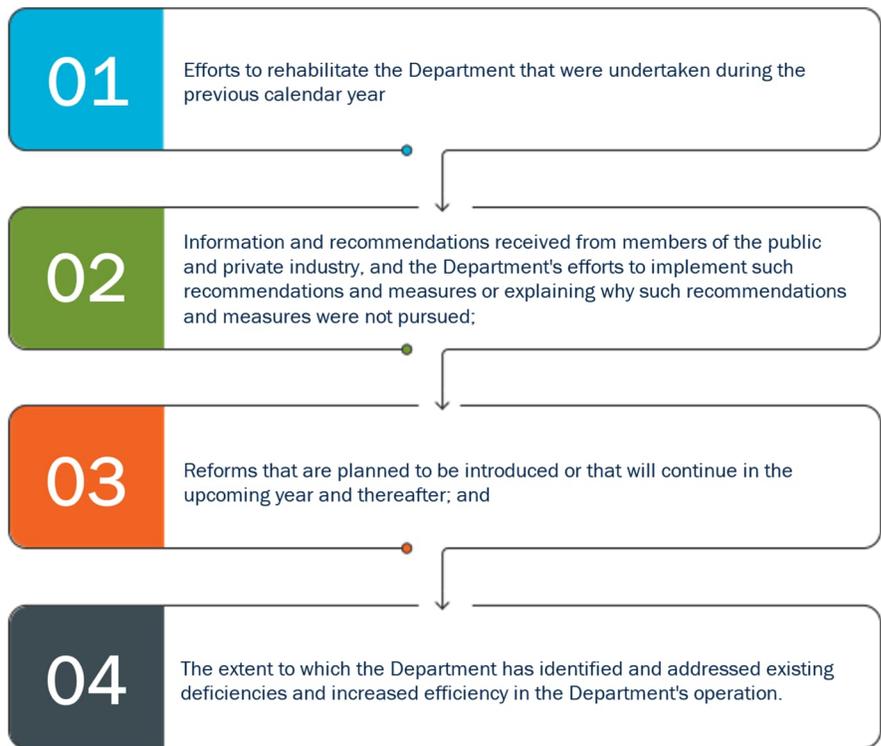
By relocating certain agency functions, clarifying reporting lines, streamlining approvals and expediting decision making, DOTD will create efficiencies and more effectively deliver programs.

By implementing strategic efficiency and improvement initiatives while leveraging modern technologies and leading practices, DOTD will achieve these goals and position itself as a leader in infrastructure development, ensuring the State's transportation network meets the highest standards of safety, reliability, and efficiency while supporting its economic goals.

With the acknowledgment that improved infrastructure not only facilitates efficient transportation and logistics but also attracts business and investments, supports job creation, and boosts the State's economy, DOTD and its stakeholders have embarked on a path to initiate reform and capitalize on the agency's potential.

### Executive Orders Number JML 24-60 & 24-176

On May 1, 2024, Governor Jeff Landry issued Executive Order Number JML 24-60: Reformation and Optimization of the Louisiana Department of Transportation and Development. The Executive Order requires the Secretary of DOTD to provide a report to the Governor, the Commissioner of Administration, and the Secretary of the Department of Revenue detailing certain improvement efforts put forth over the course of the prior year and planned for the future, as well as information and recommendations received from members of the public and private industry.



DOTD's goals and the external recommendations received and discussed herein align with the requirements of the Executive Order and create a blueprint for transformation and improved efficiency for DOTD.

Additionally, on December 12, 2024, the Governor issued Executive Order Number JML 24-176; Fiscal Responsibility Program. While this Executive Order applies to all departments within the State, the intent is consistent with JML 24-60 in encouraging reforms towards efficiency and modernization and has been considered by DOTD in developing this document.

## Governor’s Transition Council

Following the November 2023 election, then Governor-Elect Landry established a Transition Council on Infrastructure, which developed a number of recommendations to transform DOTD into a modern agency and facilitate economic development opportunities. The Transition Council outlined three overarching priorities to drive DOTD’s transformation:



**The Transition Council expressed its aim to convert DOTD into the most effective agency in the State by:**

- Removing non-transportation activities from DOTD’s mission
- Improving coordination with Louisiana Economic Development
- Reforming the organizational structure of DOTD to be more agile and responsive
- Leveraging renewed focus to minimize shutdowns and disruptions.



**Implementation of a statewide Master Plan for integrated transportation, undertaken by DOTD based on direction provided by the Governor. This plan should encompass:**

- Implementation of a statewide initiative to improve connectivity in rural areas
- Replacement of critical bridges
- Installation of navigational air gap bridge sensors
- Assistance to airports and aviation
- Development of a strategic plan for ports



**Securing sustainable funding for infrastructure projects critical to the long-term sustainability of DOTD projects and maintaining the existing highway network in a state of good repair. Strategies to secure and maintain sustainable funding include:**

- Reforming the Vehicle Sales Tax Allocation
- Tolling as a sustainable financing source for Mega Projects
- Maximizing efforts to receive Federal funding
- Indexing the gas tax against inflation
- Requiring an EV road usage contribution
- Establishing a dedicated port infrastructure fund

The priorities of the Transition Council illustrate themes common to the challenges that have motivated DOTD initiatives, and the findings of the Departmental Effectiveness and Funding Study discussed in the next section.

## Departmental Effectiveness and Funding Study

Boston Consulting Group (BCG) was contracted by private industry and the legislature to conduct a review of DOTD's operations to understand how it compares to other State DOTs and identify opportunities for future improvements to both DOTD and Louisiana's economic competitiveness. The Departmental Effectiveness and Funding Study took place from June through September 2024 and included an internal review, stakeholder interviews (internally with DOTD staff, as well as externally with industry partners and legislators), benchmarking against comparable states, and development of initiatives, solutions components, and next steps. The BCG final report generated key findings in four categories:



### Funding

- State revenue sources dedicated to DOTD are insufficient, lag behind cost growth, are not sufficiently diversified, and lack flexibility
- Funding is not tied to strategic goals or outcomes – limited organizational understanding and outward communication of current and anticipated future needs, results in challenges ensuring funding for most needed projects and difficulty maintaining capital project pipeline
- Inefficiencies arise from the gas tax not being indexed to inflation and projected electric vehicle market penetration
- Need for multiple, sustainable funding sources to fund projects and taking full advantage of Federal grant programs



### Capital Program Delivery and Management

- Inconsistent ranking of projects and limited transparency around prioritization of projects
- Slightly higher indirect capital program management costs compared to benchmarked peers
- Need to increase capacity for capital projects, including additional role for consulting partners, requiring a shift in operating model
- Insufficient collaboration with peer agency Louisiana Economic Development
- Lack of a clear Master Plan with initiatives tied to Departmental, Executive, and Legislative priorities



### Maintenance and Operations

- Funding for district budgets within the Office of Operations has grown at an average 1% Compound Annual Growth Rate (CAGR) over 10 years, failing to keep pace with inflation
- Lack of maintenance contracts to augment workforce and increase amount of maintenance work completed
- Low maintenance equipment utilization as compared to internal targets
- Need to increase contracting for routine maintenance to reduce amount of equipment maintained in-house



### Organization and People

- Limited meaningful tracking of KPIs across DOTD
- High rate of engineering and technical staff turnover in recent years
- Support functions are perceived to be insufficient in the support of DOTD sections responsible for directly executing the departmental mission
- Need for responsive teams, in coordination with private sector, to respond to disruptions and avoid shutdowns

DOTD has launched into a process of reform; a process which is underway and will continue to be informed by both the expertise that exists within DOTD and from key stakeholders whose efforts have shaped the initiatives being undertaken. The following section discusses that plan of action and is organized to align with the provisions of the Governor’s Executive Order JML 24- 60.



## Plan of Action

Over the past year, DOTD has undertaken a series of strategic initiatives aimed at addressing current challenges, optimizing operations, and laying the groundwork for future growth and sustainability.

To support meaningful modernization, DOTD has taken steps to establish a new Transformation Office with a charge to transform project management, undertake organizational structure analysis, deliver program delivery process improvement, encourage leadership and staff development, enhance performance management and accountability improvement, provide legislative support, and elevate communications. It is anticipated that a Project Charter will be developed for the Transformation Office which will include a mandate to carry out these key functions and the creation of a framework on which key initiatives will be built including:

- Identifying key stakeholders and roles
- Documenting project scope of work as well as process for managing any change to scope
- Defining goals, objectives, and metrics for success
- Setting milestones and deliverables
- Establishing a communication plan that encourages participation from all stakeholders

The Transformation Office, in collaboration with ongoing DOTD and consultant efforts, has created an internal mechanism to further enhance these initiatives. Such efforts reflect DOTD's commitment to provide a world-class transportation system that supports economic development and the overall quality of life for our residents and visitors.



# 01 Efforts to rehabilitate DOTD undertaken during 2024

The following section outlines key initiatives commenced by DOTD over the past year, highlighting the progress made to date and plans for continued advancement.

## Recommendation List

- 1A** Launched Project Delivery Process Optimization
- 1B** Conducted Data Governance Review
- 1C** Initiated Organizational Realignment
- 1D** Enhanced Bridge Replacement Program
- 1E** Developed "On-the-shelf" Project Plans
- 1F** Advanced Statewide Transportation Resilience Improvement Plan
- 1G** Improved Access Permit Process
- 1H** Created New DOTD Website

## Improvement Initiative List: Calendar Year 2024

Initiative: 1a	Launched Project Delivery Process Optimization
<p>DOTD commenced an initiative to modernize its pre-construction processes, improve letting date reliability, and project timeliness. These improvements will require a clear set of annual priorities and refinement to DOTD’s project prioritization process to generate a delivery schedule that can reasonably be achieved. By examining and fixing the bottlenecks that delay project letting, DOTD will address the inefficiencies, cost increases, and lack of credibility with stakeholders that have accrued under its prior methodology. Design standards for each project will be balanced with best engineering practices, available funding, and resources. DOTD will work to ensure the scope of work delineated at the outset of each project is maintained without deviation. Additionally, once a project delivery date is set, there will be an established vetting process for any proposed project expansion, deletion, delay, or addition.</p> <p>This ongoing effort is part of a multi-phase DOTD/consultant collaboration, entailing discovery phases, development of an integrated design schedule management process, and implementation of a series of dashboards to support DOTD’s commitment to meeting project timeliness and letting expectation goals.</p>	

The initial phase of this work commenced in 2024 and assessed current project development and delivery processes. The engaged consultant reviewed the existing Project Delivery Manual, Project Management Manual, and standard operating procedures. The consultant then conducted interviews with key DOTD personnel to gain insight into the agency’s pre-construction delivery process. The initial phase also includes development and implementation of new, user-friendly technology for project schedule management. This interface will allow reporting and tracking of projects, milestones, any associated delays, while also minimizing duplicate data entry across systems, and creating a centralized view across DOTD program.

After a detailed review, the consultant identified areas for improvement to address issues that have historically hampered reliable project letting dates. Following documentation of DOTD’s current processes, the agency and consultant initiated ongoing work sessions to implement leading practices and streamline DOTD processes, including workflows, schedule management, project data and systems, and resource management. These efforts will be completed in 2025 and generate enhanced tools and processes for DOTD to leverage in future.

To support DOTD’s Project Delivery Optimization Process, the Federal Highway Administration (FHWA) provided a national team of subject matter experts to assist DOTD with mapping and streamlining the agency’s current processes. Working closely with DOTD’s project delivery team, a three-day workshop was conducted to discuss best practices and opportunities to enhance collaboration between DOTD and its federal partners.

<b>Initiative: 1b</b>	<b>Conducted Data Governance Review</b>
<p>DOTD conducted an in-depth assessment of its data governance and produced a high-level design framework to institute a structure for data governance, including roles, processes, and guidelines, for the management and maintenance of data within DOTD. The data governance review was conducted to identify sources of incomplete or inaccurate data and understand how data is being stored and used across DOTD. Ultimately, enhancements to the agency’s data generation and maintenance processes will improve the accuracy and completeness of DOTD’s data, aid decision and policymaking, and support greater transparency and stakeholder communication.</p> <p>The assessment included a specific use case, a Data Element Assessment comprised of a Data Mapping Diagram, Data Catalog, and Process Narrative, as well as the implementation of a Data Maturity Model, administered to 52 DOTD employees across the six primary offices. The results from the assessment and use case were then used to establish a preliminary Data Governance Framework, Data Governance Roadmap, and Business Objectives document. These tools and processes are expected to be implemented throughout calendar year 2025.</p>	

Initiative: 1c	Initiated Organizational Realignment
<p>DOTD commenced organizational realignment efforts within the agency to increase operational efficiency and better align various offices and functions. The realignments that are underway and discussed below, as well as those considered in Section 3, create no new positions and are expected to have little or no impact to the DOTD budget. Initiated realignments include:</p> <ol style="list-style-type: none"> <li data-bbox="168 533 1474 814">1. Consolidation of Internal and External Audit in the Office of Chief Auditor: this combination leverages existing resources to effectively increase DOTD’s internal audit capacity to monitor performance of the agency’s functions. Following the consolidation, the Chief Auditor will be better able to allocate resources to ensure the adequacy of DOTD’s controls, the reliability of its information, and the security of its assets. The consolidation will also align DOTD more closely to requirements placed upon executive branch departments that receive large appropriations.</li> <li data-bbox="168 842 1474 995">2. Transfer of Environmental Section to the Office of Planning: this move aligns DOTD’s organizational structure with FHWA and returns a fundamental planning function to its proper place within the DOTD organization after projected benefits from a transfer to the Office of Engineering did not materialize as planned.</li> <li data-bbox="168 1022 1474 1304">3. Transfer of Right of Way (ROW) Section to the Office of Planning: this move also aligns DOTD with the organizational structure of its Federal counterpart and positions DOTD’s real estate professionals to make informed decisions regarding the acquisition, maintenance, use, and disposal of ROW in a manner consistent with the agency’s goals and long-range plan. Early and frequent consideration of ROW and utilities in the course of delivering individual projects will enable a proactive approach to identifying and resolving issues that might delay construction.</li> <li data-bbox="168 1331 1474 1484">4. Aggregation of Department-wide Human Resources (HR) Function to Headquarters: this change in reporting structure places DOTD in line with standard business processes. Centralization will provide consistent guidance and policy enforcement across DOTD’s districts and reduce HR-related discrepancies.</li> <li data-bbox="168 1512 1474 1793">5. Movement of Title VII Responsibilities to HR: Title VII (Civil Rights Act of 1964) functions relate to discrimination in employment based on race, color, religion, sex, or national origin. Due to their nature as criteria for internal compliance, they should be re-designated as Human Resources functions (internal-facing) rather than the Office of the Secretary (external-facing). Historically, Title VII actions within DOTD have been handled in conjunction between Human Resources and the Office of the Secretary. This move would bring DOTD in line with peer State DOTs.</li> </ol>	

Initiative: 1d	Enhanced Bridge Replacement Program
<p>To reduce the number of closed and posted bridges, DOTD is in the process of updating its processes to analyze the time, cost, and other benefits of different construction methods and determine the best site-specific bridge construction methods, instead of taking a one-size-fits-all approach to all bridge projects. This analysis includes analyzing data for timber, steel, concrete, and precast box culverts. DOTD will leverage the information obtained from the analysis to engage external partners to increase bridge construction capacity, while also doubling in-house construction capacity of personnel housed in the Office of Operations. Further, DOTD will develop and deliver these projects utilizing the flexibilities inherent in the Performance-Based Practical Design (PDPB) process, which focuses exclusively on the specific purpose and need of the project while avoiding the expenditure of resources on nonessential project design elements. This process does not sacrifice safety but instead enhances the specific site while benefiting the entire transportation system as a whole, at a cost savings to the taxpayer. Several bridges are currently identified for replacement in FY25-26 and dozens more are currently being analyzed utilizing the updated and better-informed methodology. This updated methodology will aid in establishing a practice to address closed and deficient bridges through a statewide bridge replacement and bundling program.</p> <ol style="list-style-type: none"> <li>1. Culvert Pilot Initiative: Bridge Design has identified twenty-four (24) sites with bridges in poor condition that can potentially be replaced with box culverts. These bridges are currently planned to be delivered within sixteen (16) projects. DOTD has engaged two design consultants to finalize the scope of work for these projects in order to expedite plan development. DOTD has assembled much of the preliminary design data and is currently engaged in surveying the project sites.</li> <li>2. Timber Pilot Initiative: DOTD is in the process of engaging a consultant to develop alternative designs for bridge replacements that include timber construction alternatives. Upon completion of the design, contractors will be able to submit bids for either alternative, with the most cost-efficient alternative ultimately being constructed.</li> <li>3. Bridge Preservation Pilot Initiative: DOTD has also been working to assemble a list of candidate bridges to perform bridge deck and joint preservation work with the goal of directing resources to extend the life of existing structures. Once candidates have been identified and screened, plan development will begin.</li> </ol>	

<b>Initiative: 1e</b>	<b>Developed “On the Shelf” Project Plans</b>
<p>To quickly respond to potential increases in one-time funding and stabilize the project delivery pipeline, DOTD increased its design efforts to deliver more projects than are ready to be implemented creating a surplus of “ready-to-go” projects beyond what is identified for construction in the current year HPP.</p> <p>Using both in-house designers and external advisors, each DOTD district identified at least \$40 million in additional pavement preservation projects that will be designed and delivered as part of this effort. Ultimately, DOTD plans to develop a 5-year plan to produce 12 months’ worth of “on the shelf” projects that are ready for implementation so the HPP and advertised letting schedule can be published with near 100% certainty.</p>	
<b>Initiative: 1f</b>	<b>Advanced Statewide Transportation Resilience Improvement Plan</b>
<p>To effectively meet the transportation needs of the citizens of Louisiana, DOTD has initiated the development of a Statewide Transportation Resilience Improvement Plan to address impacts to transportation infrastructure from weather-related issues and other natural hazards. This effort is being funded through a 2% set-aside of Louisiana’s PROTECT Formula funds, which can only be used for resilience planning, design, construction, or the development of data tools to simulate transportation disruption scenarios. The plan will enhance DOTD’s ability to prepare for, withstand, recover, and adapt to changing conditions, with the goal of retaining functional performance of the State’s transportation systems while under the stress of such disturbances. In addition to protecting and improving evacuation routes, addressing environmental vulnerabilities, and otherwise improving the resiliency of Louisiana’s surface transportation infrastructure against extreme weather events, enacting the plan will increase the Federal cost-share for projects included in the plan by up to 10%.</p> <p>FHWA has provided positive initial comments on DOTD’s proposed plan outline and a complete draft of the plan is anticipated to be ready for submission in the summer of 2025.</p>	
<b>Initiative: 1g</b>	<b>Improved Access Permit Process</b>
<p>To provide efficiency and transparency in the permit application process, DOTD engaged a consultant to build a web-based Permit Application Portal. This portal is in the deployment phase and is currently being used to process access permit applications. In addition to standardizing and expediting the workflows of the permitting process, the portal allows outside parties seeking permits to track a permit application’s status in real time statewide or with respect to a specific</p>	

parish or district. As a result of this initiative, permit applicants are now able to identify and overcome bottlenecks and delays through enhanced process transparency.

The access permit dashboard is operational and permitting processes have been streamlined and made consistent across the districts. Expansion of the dashboard tool to other permit types is currently underway.

<b>Initiative: 1h</b>	<b>Created New DOTD Website</b>
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DOTD is creating a new public-facing departmental website. This is a built-from-the-ground-up initiative to replace the current, 15-year-old site, and will feature a modern user experience/user interaction along with industry best practices for state transportation office web presences. This involves a full front-end redesign conforming to DOTD brand guidelines and a contemporary content management system on the back end. It will also incorporate a full project portal, where users can access maps, budgets, timelines and other project information, furthering DOTD’s commitment to transparency. The project information in the portal can be filtered in a myriad of ways, including project name, parish, route and legislative district. The department is in phase two of four of this initiative, with portions of the updated interface rolling out throughout 2025.

This project is being managed in-house, in partnership with Tyler Technologies as the design and digital architecture contractor. A team of DOTD employees serving as content managers will be responsible for the migration, creation, and day-to-day management of the content on their respective sections of the site, with oversight and training provided from the Office of the Secretary. This allows the subject matter experts to have direct control of their content and eliminates the current setup of using OTS staff as intermediaries in the website update process.

In addition to the new website, DOTD will provide an online report of the progress being made toward the transformation initiatives. The purpose of this report will be to share consistent and transparent updates to the public and stakeholders.

## 02

## Information and recommendations received from members of the public and private industry

### Governor's Transition Council and the Departmental Effectiveness and Funding Study

Following Governor Landry's election, a Transition Council on Infrastructure was established to provide recommendations to transform DOTD and leverage the Council's input to uplift Louisiana's energy, agriculture, and trade industries. The Transition Council recommended key changes designed to improve DOTD's agility and responsiveness, which have informed and been incorporated into the ongoing and contemplated DOTD initiatives.

The recommendations from the Transition Council shared similar themes as those identified in the Departmental Effectiveness and Funding Study developed by BCG. As part of that study, BCG outlined five high-priority recommendations to address the challenges noted collectively by the Transition Council and BCG.

A high-level summary of recommendations derived from the Departmental Effectiveness and Funding Study, along with an explanation of how DOTD intends to address each recommendation, is provided in the following tables. A detailed BCG recommendation matrix is included as Appendix A.

#### Recommendations List

2A

Collaborate with Stakeholders to ensure adequate funding for Transportation

2B

Improve processes and communication within the Capital Program

2C

Leverage Consulting Partners

2D

Improve Maintenance & Operations Performance

2E

Enable the Organization

BCG Major Recommendations	
Recommendation 2a	Description
Collaborate with Stakeholders to ensure adequate funding for Transportation	To ensure adequate funding, BCG suggests refining current estimates for funding needs by developing 'outcomes-based' funding requests. The assessment will involve collaboration with the contracting community to determine a realistic ramp-up of the maintenance and operations budget and partnership with the Legislature to refine funding asks, measure outcomes, and track progress internally.
	<b>Efforts to implement such recommendations and measures</b>
	<p>Planned reforms for refining funding estimates based on future transportation asset conditions will be implemented in coordination with a Performance Management and Accountability Improvement initiative in 2025 through collaboration with the contracting community, as well as communication, goal setting, and progress tracking with the State Legislature.</p> <p>With the knowledge that new sources of revenue are necessary to sustain the ongoing infrastructure needs of the State, DOTD is exploring a number of potential revenue streams that have been successfully implemented in other States and which reflect the changing characteristics of the transportation market. These potential revenue sources include electric vehicle charging fees, road usage fees, ride share fees, retail delivery fees, rental car fees, hotel taxes, casino taxes, and online sportsbook/casino taxes. Each of these potential opportunities, as well as increases and indexing the existing fuel tax, will be quantified and evaluated to understand the impact not only for DOTD funding but also to the broader market and end-users within the State.</p> <p>These potential funding increases will be crucial for delivering the HPP without depending on one-time funding appropriations, ensuring that all available Federal funds will be obligated, and maximizing project delivery flexibility through the utilization of State funds to avoid project federalization where appropriate.</p>

Recommendation 2b	Description
<p><b>Improve processes and communication within the Capital Program</b></p>	<p>To improve management of DOTD’s capital program, BCG suggests setting and adhering to overprogramming targets to build a pipeline of “on the shelf” projects and clearly tracking prioritization and rationale to close the loop on public and legislator requests. Additionally, they recommend updating letting expectations and improving the communication of existing prioritization rationale with the Legislature. BCG also proposed a shift towards district-led project management of certain preservation programs along with improvements to contracting and consulting practices, streamlining specification book clarity, and the assignment of dedicated construction engineers. They also suggest developing a robust set of Key Performance Indicators (KPIs) that are published annually to drive accountability and measure performance.</p>
	<p><b>Efforts to implement such recommendations and measures</b></p>
	<p>DOTD is coordinating with State Civil Service to implement programming and project delivery KPIs that will track, monitor, and evaluate performance. DOTD is also updating its public letting website to set expectations with contractors, is developing a communications plan to highlight achievements and go-forward accountability measures and will revise the HPP FY26-27 program based on updated programming targets.</p>
	<p>Effective January 31, 2025, DOTD will begin publishing a 6-month letting list to contractors and commit to 100% 90-day reliability. Over time, the goal is to achieve 365-day reliability.</p> <p>Additionally, DOTD is developing procedures to address feedback from previous Legislative Public Hearings and present highlights from the previous fiscal year during upcoming events.</p> <p>Finally, legislation enacted during the 2024 Regular Legislative Session increased the number of preservation projects that can be advanced and managed by district personnel. DOTD is also in the process of converting existing positions to dedicated construction engineers and refining the reporting lines for these positions. As proposed by industry participants, these new positions will be incorporated into a centralized project management approach within the Office of Engineering with the goal of providing consistent construction management throughout the construction</p>

	<p>of a project and enhancing communication with the contracting community. Within this centralized construct, the districts will also have more input into the prioritization of projects within the HPP, creating a more streamlined approach that emphasizes district priorities.</p>
<b>Recommendation 2c</b>	<b>Description</b>
<b>Leverage Consulting Partners</b>	<p>BCG recommends leveraging consulting services by developing multi-source IDIQ/MSA contracts to increase the speed of consultant procurement.</p>
	<b>Efforts to implement such recommendations and measures</b>
	<p>DOTD plans to better leverage its consulting partners by evaluating its organizational structure to ensure the most critical functions are appropriately resourced. DOTD also plans to increase the number of multi-source IDIQ/MSA contracts to decrease the resources required for consultant procurement and management, and the delay between scope of work development and the initiation of the consultant project work.</p> <p>DOTD is also evaluating potential opportunities to outsource project development and program management, where feasible, particularly those that are highly dependent upon metropolitan planning organizations and local public agencies.</p>
<b>Recommendation 2d</b>	<b>Description</b>
<b>Improve Maintenance &amp; Operations Performance</b>	<p>In continuing with the concept of outcomes-based funding needs, BCG recommended refinements to assessments of additional funding and the mix of outsourced contracts (leveraging outsourcing of routine maintenance to address the maintenance backlog).</p>
	<b>Efforts to implement such recommendations and measures</b>
	<p>The recommendations also propose a re-evaluation of the vehicle fleet based on need and optimal usage, with a shift to cyclical vehicle replacements. Additionally, they recommend a formula-based allocation of funding to districts.</p> <p>DOTD is working to improve maintenance and operations performance by identifying activities that may be outsourced. DOTD is in the process of</p>

	<p>developing procedures to identify potential responsible contractors for the purpose of creating and distributing “Requests for Information” to monitor the availability and prices of labor and services within the relevant market. In the development of its long-range plan, DOTD is working to tie increases in funding requests to maintenance outcomes established in clear KPIs and shift the plan from analysis of broad metrics to a more project-focused approach.</p> <p>DOTD’s vehicle fleet will be evaluated based on optimal usage and assessed by operational need of equipment, comparison to existing fleet quantity, and overall utilization in collaboration with the existing equipment rental market.</p> <p>Development of an appropriate formula to allocate funding to DOTD’s districts is underway, as are plans for implementing and communicating the formula’s method of operation across districts, as well as the identification of equipment opportunities based on utilization and needs. This approach will create enhanced transparency and predictability in the way funds are allocated across the State.</p>
<p><b>Recommendation 2e</b></p>	<p><b>Description</b></p>
<p><b>Enable the Organization</b></p>	<p>To better enable the organization, BCG suggests developing and tracking comprehensive KPIs across DOTD. They also recommend a detailed organizational assessment including the evaluation of roles, competitive pay options, training, and new needs.</p> <p>Additionally, they propose assessing the flexibility within the requirements of Civil Service, Office of State Procurement, and Office of Technology Services to identify constraints that could unlock greater flexibility and performance if relaxed. Lastly, they propose a diagnostic of key processes within the Office of Management and Finance (OMF).</p> <p><b>Efforts to implement such recommendations and measures</b></p> <p>DOTD plans to enable the organization through the development and tracking of KPIs, detailed organizational assessments, and diagnostics of key processes within OMF. A more detailed discussion of the planned organizational realignment is included in the following section.</p>

## 03

## Reforms that are planned to be introduced or that will continue in the upcoming year and thereafter

Driven by its improvement goals and the recommendations provided by the Transition Council and BCG report, DOTD intends to commence a series of additional initiatives over the course of 2025 and thereafter. These initiatives will consider both DOTD's processes and systems, as well as the framework of the organization itself. By continuing to realign the organization, DOTD can foster better communication across different levels and departments while driving consensus around objectives and expected outcomes of the improvement initiatives.

### Organizational Realignment

DOTD has identified further organizational upgrades that it can implement to enhance operational efficiencies and assist in reaching its improvement goals. The Organizational Realignment initiatives, some of which are already underway per the discussion of Initiative 1c above, entail movements and separations of specific offices, with associated transfers of responsibilities, to better align sections of DOTD with appropriate resources, concentrate and avoid duplication of efforts, and maximize synergies and specializations.

#### Organizational Upgrades List (Details Below)

3A

Separation of District Construction and Maintenance Functions

3B

Movement of the Office of Public Works underneath the Office of the Secretary

3C

Movement of the Local Public Agency Coordinator functions from the Office of the Secretary to the Office of Planning

3D

Transfer of reporting line of General Counsel from Executive Counsel to the Secretary

3E

Transfer of the Louisiana Offshore Terminal Authority from the Office of Planning to the Office of Multimodal Commerce

3F

Elevate Weight Enforcement to a direct report to the Assistant Secretary of Operations

<b>Organizational Upgrades</b>	
<b>Action: 3a</b>	<b>Separation of District Construction and Maintenance FunctionsC</b>
<p>This initiative will create the position of a dedicated District Construction Engineer and will provide all stakeholders with a single point of contact for construction matters in each district. Additionally, this effort will increase the focus on construction activities while standardizing the construction processes in tandem.</p> <p>The combination of enhanced concentration of resources, streamlined processes, and increased accountability will ultimately help drive reductions in delays to the construction process. This effort is complex to execute within State Civil Service parameters and requires the coordination among various participants within the organization. Therefore, this initiative is planned to be implemented in stages with completion of the transition occurring during the 2027 Budget Cycle.</p>	
<b>Action: 3b</b>	<b>Movement of the Office of Public Works underneath the Office of the Secretary</b>
<p>This initiative will remove DOTD’s flood protection functions from within the Office of Engineering and creates a standalone Office of Public Works. This initiative aligns with other initiatives proposed by the Department of Energy and Natural Resources (DENR) that contemplate creation of a new State entity responsible for statewide flood protection outside of Louisiana’s Coastal Zone. The creation of an office to house DOTD’s existing flood protection functions will allow for the uninterrupted delivery of existing Public Works projects while accommodating a potential transition to a new state entity in the event sufficient funding and support for DENR’s initiative materializes. Accomplishing this initiative will require legislation to modify existing statutory provisions.</p>	
<b>Action: 3c</b>	<b>Movement of the Local Public Agency Coordinator functions and Personnel from the Office of the Secretary to the Office of Planning</b>
<p>The two Local Public Agency (LPA) positions will be moved out of the Office of the Secretary into the Office of Planning. These positions’ current location in the Office of the Secretary is out of alignment with the office mission, particularly when compared with the Office of Planning, which frequently engages in LPA coordination.</p>	

The Office of Planning’s existing involvement with LPA processes will allow for better utilization of these positions, and in so doing, is expected to improve consistency and communication between DOTD and LPA. The LPA positions have already been functionally moved, allowing vacancies to be filled within the Office of Planning.

<b>Action: 3d</b>	<b>Transfer of Reporting Line of General Counsel from Executive Counsel to the Secretary</b>
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The reporting lines for the Office of the General Counsel will be altered to have DOTD’s General Counsel report directly to the Secretary rather than the Executive Counsel. The duties and responsibilities of DOTD’s General Counsel are established in statute and make the General Counsel responsible for representing DOTD and its Secretary in all matters for which the Louisiana Attorney General does not provide representation. By contrast, the Executive Counsel is an unclassified position that is more appropriately focused upon the implementation of initiatives being advanced by the current administration. While the General Counsel will still be required to coordinate and work closely with the Executive Counsel, shifting the reporting line will make clear the General Counsel’s responsibilities are focused on DOTD’s day-to-day operations, while the Executive Counsel’s is directed to priorities of the administration, with the goal of improving the responsiveness by DOTD’s legal advisors. Clarification of the roles of DOTD’s two highest-ranking lawyers is also intended to ensure (1) timely provision of legal advice to all of DOTD’s various sections that will foster legal compliance and adequate contractual oversight, (2) consistency in the representation of DOTD in all litigation in which the agency is involved, and (3) ensuring that all required reports are completed and transmitted to the legislature in a timely fashion, as required by law.

<b>Action: 3e</b>	<b>Transfer of the Louisiana Offshore Terminal Authority (LOTA) from the Office of Planning to the Office of Multimodal Commerce (OMC)</b>
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The Louisiana Offshore Terminal Authority (LOTA) was created to promote, plan, finance, develop, control, license, regulate, operate, and manage offshore terminal facilities which directly contribute to the mission of DOTD’s Office of Multimodal Commerce (OMC). Moving LOTA to the OMC will increase alignment and efficiency within the agency, with the intended effect of facilitating the improvement of maritime transportation infrastructure and promoting job creation and economic development.

Action: 3f	Elevate Weight Enforcement to a direct report to the Assistant Secretary of Operations
<p>The movement of DOTD police force reflects the important role the agency’s peace officers play in the delivery of DOTD’s mission. The varied and complex issues implicated in exercising the State’s police powers also warrant elevating the police force’s location within the organizational chart in order to ensure the involvement of executive staff in activities that have a high potential to create liability for the agency or damage its public perception. DOTD’s Police Chief is charged with managing these activities and must have direct access to the executive team, which will be provided by a direct line of reporting to the Assistant Secretary of Operations.</p>	

### Additional Initiatives for Implementation in the Coming Year

In addition to the Organizational Realignment initiatives that are planned and underway, DOTD has begun to plan and design other initiatives that will assist in attaining its long-term goals. These initiatives include:

#### Improvement List

- 3G Project Viewer Portal
- 3K Key Performance Indicator (KPI) Initiative
- 3H Roadway Work Request Portal
- 3L Right of Way Permit Process Improvement
- 3I Project Prioritization Improvements
- 3M Rules, Manuals, and Policy Review
- 3J Grant Pursuit & Coordination Effort
- 3N Rural Transportation Planning

Improvement Initiative List: Calendar Year 2025 and Beyond	
<b>Initiative: 3g</b>	<b>Project Viewer Portal</b>
<p>This initiative involves ongoing coordination with the Office of Technology Services (OTS) to implement a web-based portal that provides current project status, timeline, and funding information in alignment with the project delivery initiative. The reports developed through the portal will allow decision makers, both internally within DOTD and externally, to quickly view project statuses and implement actions to address project delays, review and revise estimates as needed, and perform other necessary project management activities to ensure high-quality projects are delivered efficiently and effectively.</p>	
<b>Initiative: 3h</b>	<b>Roadway Work Request Portal</b>
<p>This initiative involves ongoing coordination with OTS to implement a web-based roadway work request portal that allows for the intake, tracking, and reporting of all roadway condition needs. Implementation of the Roadway Work Request Portal aligns with the goal of creating a culture of accountability by providing enhanced customer service and ensuring DOTD is adequately addressing stakeholder needs. It will provide the added benefit of decreasing administrative workload for DOTD staff and Legislative personnel by providing a clear process and status reporting mechanism.</p>	
<b>Initiative: 3i</b>	<b>Project Prioritization Improvements</b>
<p>A redesign of the project prioritization process will be implemented to accomplish two central objectives: (1) a revised methodology for the determination of project priority, and (2) a plan to communicate the priorities, and the method by which they are determined internally within DOTD and externally to key stakeholders.</p> <p>A quantitatively oriented approach with clear criteria will consistently and transparently dictate initial HPP prioritizations and future reprioritizations necessitated by external factors. This process will include clearly defined means to identify and prioritize projects with the intent of turning the HPP's Legislative Public Hearings into a true forum for public and legislative project input. The overarching goal will be to create an objective process that will serve as the basis for predictable project advancement.</p>	

<b>Initiative: 3j</b>	<b>Grant Pursuit &amp; Coordination Effort</b>
<p>In an effort to maximize non-State funding, the Office of Planning has engaged a consultant team to assist with the pursuit of Federal grants. Pursuing Federal grant opportunities with assistance from a consultant team aligns with the goal of Driving Statewide Economic Development by enabling DOTD to better access non-State funding, thereby, assisting DOTD’s mobility and transportation networks.</p> <p>DOTD is also exploring new technology tools (including Artificial Intelligence) to maximize efficiency and accuracy in identifying, pursuing, and managing federal grant opportunities.</p>	
<b>Initiative: 3k</b>	<b>Key Performance Indicator (KPI) Initiative</b>
<p>DOTD is currently developing comprehensive KPIs across the agency. This effort will increase departmental and individual accountability by tracking, analyzing, and reporting quantifiable outcomes and successfully measuring consistent indicators. Implementation of the KPI Initiative will serve the goal of Creating a Culture of Accountability by providing DOTD a tool for consistent measurement on an individual, sectional, and departmental basis that is directly tethered to the delivery of the agency’s mission.</p>	
<b>Initiative: 3l</b>	<b>Right of Way Permit Process Improvement</b>
<p>As stated above, DOTD has created an online Access Permit Portal that standardizes workflow, tracks status, and provides transparency for the project delivery team and leadership. While the product allows for electronic submission of access permit applications, efforts are underway to expand the portal’s functions to also include the processing of ROW permits. The progress of permit applications will be able to be tracked throughout the review process via an external dashboard allowing for real-time permit status verification.</p>	
<b>Initiative: 3m</b>	<b>Rules, Manuals, and Policy Review</b>
<p>DOTD is currently undertaking a comprehensive review of its rules, manuals, policies, and procedures to ensure the information communicated by the agency in all of these formats is consistent, up to date, and reflects best practices.</p> <p>As its highest priority, DOTD is reviewing rules that need to be created or updated to ensure legal compliance. These efforts have already begun in earnest, with the initial rules slated for</p>	

improvement anticipated to be ready for submission to the appropriate legislative committees in the first quarter of 2025. DOTD is also undertaking a comprehensive effort to identify and repeal unnecessary and overly restrictive rules, as well as reviewing and updating the Louisiana Standard Specifications for Roads and Bridges to provide more flexibility in the delivery of its projects. A selection of these efforts include:

- 1. Promulgating Rules as Directed by Statute** – In many instances, while the Legislature has explicitly contemplated the promulgation of rules to memorialize DOTD’s process for fulfilling statutory mandates, no effort has been made to do so. For example, the statutory provisions authorizing DOTD to transfer portions of the State Highway System to local jurisdictions specifically authorizes the promulgation of rules to facilitate such transfers. Rather than promulgating rules in compliance with the Louisiana Administrative Procedure Act (APA), DOTD drafted through an internal policy without any legislative oversight or input from the public that did not provide for any evaluation of the impact to the State Highway System for roads proposed for transfer. As a result, the identification of highways eligible for inclusion in the Road Transfer Program has historically been delegated to district personnel or resulted from local jurisdictions identifying a roadway they desired to improve. The existing method of identifying roadways eligible for transfer does not account for the importance of the State Highway System to commerce and economic development, at times resulting in significant changes to established routes that make established routes difficult or impossible for commercial vehicles to navigate. Rules are currently being drafted to require consideration of the impacts to commerce and the connectivity of the State Highway System in identifying roads eligible for transfer. Implementation of these rules is intended to reduce the number of miles in the State Highway System in a manner that improves the system’s efficiency and encourages economic growth, abandoning the existing system, which has frequently had the opposite effect.
- 2. Evaluation of EDSMs and Other Manuals** – DOTD’s Road Transfer Program is not the only area in which the agency has foregone the provisions of the APA to implement generally applicable policies or standards that directly affect those interacting with the agency. While these policy provisions appear in many locations, one major repository is DOTD’s Engineering Directives and Standards Manual (EDSM), where the existing processes for implementation of the Road Transfer Program currently reside. The EDSM and other manuals maintained by DOTD should provide only for internal processes and procedures pertaining to engineering matters, with generally applicable requirements applied to individuals outside the agency must instead be promulgated as rules. As a result, DOTD is in the process of reviewing the EDSM and other department manuals for revisions that will remove content subject to the APA for promulgation as rules, and to ensure that the remaining provisions reflect current best practices.
- 3. Updating and Clarifying Existing Rules** – In those instances where DOTD has engaged the procedures provided in the APA to promulgate rules, the rules are rarely reviewed after being published, with no established system within DOTD to monitor for legislative changes or

technological advancements that may necessitate or warrant revisions to existing rules. In certain instances, this has resulted in DOTD’s rules exceeding the authority conferred in the authorizing statute or preventing DOTD’s adoption of newer technologies into its authorized processes and procedures. As a result, DOTD is also engaged in a comprehensive review of its existing rules to ensure they do not stray beyond the agency’s authority and ensure the removal of unnecessary obstacles to delivery of the agency’s mission,

<b>Initiative: 3n</b>	<b>Rural Transportation Planning Coordination</b>
<p>In close coordination with the Governor’s Office of Rural Development and Louisiana’s Metropolitan Planning Organizations, DOTD will also be evaluating the potential establishment of organizations that incorporate all areas of the State into the transportation planning process. While federal requirements mandate the use of coordinated planning in metropolitan areas, no similar requirement exists for rural regions. Other states have established Regional Transportation Planning Organizations (RTPOs) or Rural Planning Organizations (RPOs) to fill that gap. While the benefits of incorporating all areas of the State in the transportation planning process seem apparent, the costs and impacts of implementation must be better understood to determine if the same benefits can be obtained through better means.</p>	

## 04

## Extent to which DOTD has identified and addressed existing deficiencies and increased efficiency in DOTD's operation

The improvement initiatives undertaken to date and identified for future implementation are pivotal in driving the transformation necessary for DOTD to meet the evolving demands of Louisiana's transportation network. By focusing on strategic improvements, adopting innovative technologies, and enhancing project delivery, DOTD is laying a solid foundation for a more efficient, reliable, and sustainable transportation system. Through the introduction of project-oriented initiatives, detailed in Section 1, focused on project delivery, data governance, and project planning, DOTD has positioned itself to address current challenges and better serve the community with more outcome-focused project protocols and data management in the future. By encouraging internal and external stakeholder feedback and acting on the recommendations of trusted advisors, as detailed in Section 2, DOTD is working to ensure its capital program, operations and maintenance, and organizational structure are efficient, optimized, and in line with benchmark programs of peer agencies. Finally, by upgrading its organizational structure and planning additional initiatives in keeping with those currently underway, as detailed in Section 3, DOTD is streamlining its processes and ensuring that neither resources nor momentum are wasted. By responding to the areas identified by stakeholders as needing improvement, DOTD is investing in an improved system that will produce more resilient transportation infrastructure, support economic growth, and improve the quality of life for Louisiana residents.



In addition to the initiatives discussed above, DOTD has also worked in close coordination with the Governor and Legislature to initiate and deliver specified projects under an accelerated timeline. These efforts resulted in the advancement of numerous preservation projects throughout the State via the Louisiana Transportation Infrastructure Fund (LTIF). The LTIF efforts involved the provision of additional funding to the agency to construct specific projects DOTD committed to advancing to letting prior to the end of the current fiscal year. At present, many of the LTIF projects have been completed, and all the LTIF projects are currently projected to be let prior to FY 25-26 without the need for additional funds. DOTD also coordinated with dozens of other State agencies, local governments, and private entities to make improvements to the City of New Orleans in preparation for Super Bowl LIX, being held in the Caesar's Superdome and expected to attract thousands of visitors to Louisiana. DOTD was not only able to deliver the anticipated scope of work well in advance of the Super Bowl but did so well within the funding appropriated by the Legislature, allowing expansion of the original scope of DOTD's work, and the transfer of nearly \$2 million to LED to advance other Super Bowl efforts.

Finally, the Governor's Transition Council recommended DOTD take immediately steps to install navigational safety aides on Lower Mississippi River (LMR) bridges at (4) locations: (1) Horace Wilkinson Bridge (2) Hale Boggs Bridge, (3) Gramercy Bridge, and (4) Sunshine Bridge. DOTD took action by funding the purchase of the necessary air gap sensors and their installation. DOTD coordinated with industry and local partners to enter into a Memorandum of Agreement with the National Oceanic and Atmospheric Administration in order to undertake installation of air gap sensors on the remaining bridges on the Lower Mississippi River. Each location includes a primary and backup air gap sensor, two independent data collection platforms for each sensor, a cable from the air gap sensors to a power and electronic control box, a rechargeable battery, a solar panel or AC charger, and a telemetry system to ensure the safety of the maritime industry and protect critical transportation infrastructure. These concrete examples clearly demonstrate DOTD's ability to deliver on its promises and its projects, even in the midst of numerous ongoing initiatives that were in the process of altering established processes and procedures.

These initiatives are of paramount importance as they are integral to achieving DOTD's mission and goals. As DOTD continues its transformation journey, the dedication to these key initiatives will be crucial to ensuring full-scale adoption and long-term success. By maintaining a clear focus on strategic priorities, engaging stakeholders, and leveraging innovative solutions, DOTD will be well equipped to navigate the complexities and challenges of modern transportation. Ultimately, commitment to these initiatives will drive progress, enhance public trust, and deliver tangible benefits to communities across the State, transforming not only the perception of DOTD, but also the quality of transportation throughout the State.

## Appendix A - Detailed BCG Recommendation Matrix

Activity	Recommendation	Sub-Initiative Roadmapping	LA DOTD Response
<b>2a.</b>	<b>Collaborate with stakeholders to ensure adequate funding for transportation</b>		
<b>A</b>	Refine current estimates for funding needs by developing 'outcomes'-based funding request based on strategic vision	N/A	Performance Management and Accountability Improvement initiative, updates to Maintenance & Operations protocols and RFIs through incorporation of KPIs
<b>B</b>	Collaborate with contracting community to determine realistic ramp-up, and further refine funding estimates	N/A	Collaboration through Performance Management and Accountability Improvement initiative, increased contracting for routine maintenance
<b>C</b>	Partner with legislature to refine funding ask, sources, and ramp-up	N/A	Communication, goal setting, and progress tracking with the State Legislature and exploration of viable revenue streams to provide sufficient funding
<b>2b.</b>	<b>Improve processes and communication within the capital program</b>		
<b>A</b>	Set and adhere to overprogramming targets to increase focus and build sufficient pipeline of "on-the-shelf" projects	<ul style="list-style-type: none"> <li>• Develop programming KPIs to track, monitor and evaluate performance</li> <li>• Develop project delivery KPIs to track, monitor and evaluate performance</li> <li>• Update public letting website to set expectations with contractors</li> <li>• Develop communication plan to highlight achievements and go-forward accountability measures (e.g. KPIs) for the roadshow</li> <li>• Revise HPP FY26-27 program based on updated programming targets to ensure projects are properly placed in out years as needed</li> </ul>	Implementation of project delivery KPIs, updates to public letting website, development of a communications plan to highlight achievements and go-forward accountability measures, revision of the HPP FY26-27 program based on updated programming targets, publication of 6-month letting list to contractors and commitment to 100% 90-day reliability

Activity	Recommendation	Sub-Initiative Roadmapping	LA DOTD Response
		<ul style="list-style-type: none"> <li>Assess current public let list and update current 6-month forecast</li> <li>Assess ongoing letting performance to evaluate and enforce programming targets</li> </ul>	
<b>B</b>	Clearly track prioritization rationale and close the loop on public and legislator requests	<ul style="list-style-type: none"> <li>Create communication plan for program managers to buy in to tracking prioritization needs</li> <li>Standardize templates for project prioritization</li> <li>Document program selection project meeting for reasons projects were included in program with supporting data</li> <li>Develop procedure to address previous road show comments and presentation for future expectations and changes</li> <li>During roadshow and public hearing, relay 2025 highlights including new prioritization template to inform project prioritization rationale</li> <li>Send projects not included in program to district administrator</li> <li>Review non-included projects during subsequent project selection</li> </ul>	Progress tracking with State Legislature, recommendations to improve efficiencies will be identified and implemented in coordination with the Legislature, as applicable. Prioritization plan will develop revised methodology for the determination of project priority and a plan to communicate such.
<b>C</b>	Set realistic letting expectations and update project let list/ regularly communicate with contractors	<ul style="list-style-type: none"> <li>Ensure Project Delivery is completed so that letting can be scheduled in a timely manner</li> </ul>	Project Delivery Process Optimization, “on the shelf” project plans, letting website update, publication of 6-month letting list to contractors and commitment to 100% 90-day reliability

Activity	Recommendation	Sub-Initiative Roadmapping	LA DOTD Response
D	Evaluate score-based prioritization for certain programs	N/A	Prioritization plan will develop revised methodology for the determination of project priority and a plan to communicate such.
E	Shift toward district-led project management of certain preservation programs	<ul style="list-style-type: none"> <li>• Review PQU review process to streamline low complexity projects</li> <li>• Revise preservation manual with input from Districts and other stakeholders</li> <li>• Develop KPIs to track, monitor and evaluate performance</li> <li>• Discuss and communicate initiative with current program managers and district personnel</li> </ul>	PQU review process, development of relevant KPIs, and identification of current training levels for districts. Legislation enacted during the 2024 Regular Legislative Session increased the number of preservation projects that can be advanced and managed by district personnel
F	Improve contracting processes for consulting services to increase competitiveness & value of bids	N/A	Leverage consulting partners and utilize multi-source IDIQ/MSA contracts to decrease the amount of resources required for consultant procurement and management
G	Streamline spec book for clarity and readability and align specs with standard adopted by similar states	N/A	Development of procedures to address feedback from previous financial, publicity, and corporate road shows and presentation of 2025 highlights during upcoming events
H	Assign dedicated construction engineer	N/A	DOTD is in the process of converting existing positions to dedicated construction engineers and refining the reporting lines for these positions. As proposed by industry participants, these new positions will be incorporated into a centralized project management approach within the Office of Engineering

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			with the goal of providing consistent construction management throughout the construction of a project and enhancing communication with the contracting community
<b>2c. Leverage Consulting Partners</b>			
<b>A</b>	Evaluate organizational structure to ensure most critical functions are appropriately resourced & compensated	N/A	Leverage consulting partners and utilize multi-source IDIQ/MSA contracts to decrease the amount of resources required for consultant procurement and management
<b>B</b>	Develop multi-source IDIQ/MSA contracts to increase speed of consultant procurement	N/A	
<b>2e Improve maintenance &amp; operations performance</b>			
<b>A</b>	Refine assessment of additional funding and mix of outsourced contracts to develop outcomes-based funding need	<ul style="list-style-type: none"> <li>• Select activities to outsource and level of outsourcing based on objectives</li> <li>• Assess incremental quantity of work to complete and refine estimates</li> <li>• Analyze local market to identify potential responsible contractors</li> <li>• Create and distribute RFI to gather availability and prices of local contracting market</li> <li>• Assess cost implication for DOTD budget based on information gathered</li> <li>• Tie increase in funding ask to maintenance outcomes to make case to legislature</li> <li>• Conduct competitive bidding process to select contractors</li> <li>• Reallocate or release unlocked capacity based on need</li> </ul>	DOTD is working to improve maintenance and operations performance by identifying activities that may be outsourced. DOTD is in the process of developing procedures to identify potential responsible contractors for the purpose of creating and distributing “Requests For Information” to monitor the availability and prices of labor and services within the relevant market. In the development of its long-range plan, DOTD is working to tie increases in funding requests to maintenance outcomes established in clear KPIs and shift the plan from analysis of broad metrics to a more project-focused approach.

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		<ul style="list-style-type: none"> <li>Measure maintenance outcomes with clear KPI</li> </ul>	
<b>B</b>	Rationalize vehicle fleet based on need and optimal usage, and shift to cyclical replacement for remaining vehicles	<ul style="list-style-type: none"> <li>Assess operational need of equipment (e.g., equipment types, quantity)</li> <li>Compare to existing fleet quantity and utilization to identify opportunities for fleet reduction/leasing</li> <li>Evaluate equipment rental market to identify strong partners for rental</li> <li>Adjust equipment fleet based on operational need, utilization, and market</li> <li>Utilize acquisition budget to cyclically replace optimized fleet</li> </ul>	Evaluation of vehicle fleet based on optimal usage and operational need of equipment, comparison to existing fleet quantity, and overall utilization in collaboration with the existing equipment rental market
<b>C</b>	In-flight initiatives (develop formula for funding, statewide equipment sharing)	<ul style="list-style-type: none"> <li>Develop formula to allocate funding to districts</li> <li>Implement and communicate formula across districts</li> <li>Identify equipment based on utilization and needs and protocols for statewide sharing</li> <li>Adjust equipment fleet to increase utilization</li> </ul>	Development of formulae to allocate funding to districts, implement and communicate formulae across districts, and identify equipment based on utilization and needs.
<b>2f. Enable the Organization</b>			
<b>A</b>	Develop & track KPIs for each department/individuals to drive accountability and transparency	N/A	Development and tracking of KPIs that will track, analyze, and report quantifiable outcomes and successfully measuring consistent indicators
<b>B</b>	Conduct detailed organizational assessment (incl. evaluation of roles, competitive pay options, training, and new needs)	N/A	Conducting detailed organizational assessments and implement organizational realignment

Activity	Recommendation	Sub-Initiative Roadmapping	LA DOTD Response
C	Conduct diagnostic of key processes within OMF & prioritize critical processes to fix	N/A	Diagnostics of key processes within OMF

Appendix B - Draft Organizational Realignment

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